

**IMPROVING AND REFORMING OUR NATION'S  
SURFACE TRANSPORTATION PROGRAMS:  
CENTRAL FLORIDA FIELD HEARING**

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**(112-16)**

**HEARING  
BEFORE THE  
COMMITTEE ON  
TRANSPORTATION AND  
INFRASTRUCTURE  
HOUSE OF REPRESENTATIVES**

**ONE HUNDRED TWELFTH CONGRESS**

**FIRST SESSION**

**MARCH 14, 2011**

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**U.S. House of Representatives**  
**Committee on Transportation and Infrastructure**  
 Washington, DC 20515

**John L. Mica**  
 Chairman

**Rich J. Rahall, III**  
 Ranking Member

March 11, 2011

James W. Coon II, Chief of Staff

James H. Zeis, Democrat Chief of Staff

**MEMORANDUM**

**TO:** Members of the Committee on Transportation and Infrastructure  
**FROM:** Committee on Transportation and Infrastructure Staff  
**SUBJECT:** Field Hearing on "Improving and Reforming our Nation's Surface Transportation Programs: Central Florida Field Hearing."

**PURPOSE**

The Committee on Transportation and Infrastructure will meet on Monday, March 14, 2011 at 9:30 a.m. in the Maitland Civic Center located at 641 South Maitland Avenue, Maitland, Florida, to receive testimony related to the reauthorization of the Federal surface transportation programs. This hearing is part of the Committee's effort to reauthorize Federal surface transportation programs under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). These programs expired on September 30, 2009, but have been extended through September 30, 2011. The Committee will hear from the Florida Department of Transportation, the County Chair of Volusia County, the Florida Transportation Builders Association, the Palm Beach MPO, a innovative finance expert, a high-speed rail executive, and a representative of the transportation disadvantaged community.

**BACKGROUND**

*Current Authorization*

SAFETEA-LU, enacted in August of 2005, reauthorized Federal surface transportation programs through September 30, 2009. A series of extensions of SAFETEA-LU were enacted to continue funding authority under SAFETEA-LU program structures. The latest extension, the Surface Transportation Extension Act of 2011 (Public Law 112-5), extended these programs through September 30, 2011.

*Highway Trust Fund Solvency*

Federal surface transportation programs are funded out of the Highway Trust Fund (HTF), which receives revenue from the Federal excise tax on gasoline and diesel fuel. The

current Federal excise tax on gasoline is 18.4 cents per gallon, 15.44 cents is deposited into the Highway Account, 2.86 cents is deposited into the Mass Transit Account, and 0.1 cent is deposited into the Leaking Underground Storage Tank Trust Fund. Of the 24.4 cents per gallon Federal excise tax on diesel, 21.44 cents is deposited into the Highway Account, 2.86 cents is deposited into the Mass Transit Account, and 0.1 cent is deposited into the Leaking Underground Storage Tank Trust Fund. The latest data show the HTF receipts totaled \$35 billion in FY 2010, with \$30.1 billion deposited into the Highway Account, and \$4.8 billion into the Mass Transit Account.

The cash balance in the Highway Account of the HTF has fallen steadily. The Highway Account had a balance of \$22.55 billion at the end of FY 2000, and by TEA 21's expiration at the end of FY 2003, the balance had dropped to \$13 billion. In September 2008, the balance in the Highway Account decreased to a level requiring Congress to transfer \$8 billion into the HTF from the General Fund. Subsequent General Fund transfers to the HTF in 2009 and 2010 totaled \$26.5 billion. At the end of FY 2010, the balance in the Highway Account had declined further to \$7.9 billion. Current projections show the cash balance in the HTF will be depleted sometime in 2013.

#### *Innovative Financing*

Revenue deposited into the HTF is not keeping up with our highway and transit infrastructure needs. Distinct from the sources of funding, transportation financing tools are used to leverage transportation funding and revenue sources, allowing transportation agencies to raise the resources needed to build projects and expedite the implementation of surface transportation improvements. These financing tools are used to expand upon the existing funding sources. Innovative financing is a broadly defined term that encompasses a combination of specially designed techniques that supplement traditional surface transportation funding and financing methods.

Innovative financing tools and private investment in financing surface transportation projects are methods that the Committee will explore to help the Federal government and states find ways to do more with less and better leverage existing revenue sources. States and localities already using innovative techniques to finance projects, including bonding, loan programs and public private partnerships, can serve as a guide for the Federal role in innovative financing.

#### *Project Delivery*

Time delays and inefficiencies in project delivery not only postpone needed improvements in our nation's transportation infrastructure but also result in increases in the cost of projects. According to the American Association of State Highway and Transportation Officials, highway and transit projects today can take ten to 15 years from the beginning planning stages to completion of construction—with up to six of those years for the environmental review process. As the reauthorization of the Federal surface transportation programs moves forward, the Committee will look at potential reforms to the project delivery process. The Committee will determine what improvements can be made to existing rules and

regulations governing project delivery in order to expedite the delivery process for all projects and reduce the cost of transportation projects.

*Programmatic Reform*

The U.S. Department of Transportation currently administers more than 100 highway, transit, and highway safety programs. Many of these programs serve similar purposes and several of them might not be necessary any longer because the nature of our transportation system has changed over time. During reauthorization of the surface transportation programs, the Committee will review whether or not programs serve duplicative purposes or are no longer needed, and will take steps to consolidate or eliminate those programs.

*Performance Standards*

Currently, Federal surface transportation programs lack performance metrics and accountability. There are no requirements for State DOTs, localities, or public transit agencies to develop transportation plans with specific performance objectives. The Committee will study performance management approaches that increase the transparency and accountability of how Federal surface transportation funds are used.

WITNESSES

The Honorable Frank Bruno  
County Chair  
County of Volusia

Ananth Prasad  
Assistant Secretary for Engineering and Operations  
Florida Department of Transportation

Bob Burleson  
President  
Florida Transportation Builders Association

Randy Whitfield  
Staff Director  
Palm Beach MPO

Geoffrey Yarema  
Partner  
Nossaman Guthner Knox Elliot, LLP

Richard P. Lawless  
President and CEO  
U.S.-Japan High-Speed Rail

Cheryl Stone  
*On Behalf of* the transportation disadvantaged community





## **IMPROVING AND REFORMING OUR NATION'S SURFACE TRANSPORTATION PROGRAMS: CENTRAL FLORIDA FIELD HEARING**

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**Monday, March 14, 2011**

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,  
WASHINGTON, DC.

The committee met, pursuant to call, at 9:30 a.m., at the Maitland Civic Center, 641 South Maitland Avenue, Maitland, Florida, Honorable John L. Mica [chairman of the committee] presiding.

Mr. MICA. Good morning. I'd like to welcome you and call to order this hearing of the United States House of Representatives Committee on Transportation and Infrastructure.

This morning's hearing is devoted to the subject of improving and reforming our Nation's surface transportation programs. This is a series of hearings that we are doing across the country. I'm Congressman John Mica. I'm pleased to chair the committee. And we have with us the ranking Democrat member and the leader—Democrat leader of the committee, Mr. Rahall, a gentleman from West Virginia.

Also, on the committee is a ranking member of the Rail Subcommittee, Ms. Brown from Florida. Ms. Hirono, who is on four of the subcommittees, a nice, young lady from Hawaii, Mazie Hirono. Mr. Farenthold, the gentleman from Texas, one of our newer members and joining us today coming from Texas. That's the makeup of the field hearing committee members this morning.

The order of business will be as follows. We'll have opening statements by members, then we have a panel of witnesses. And this is a formal hearing. The witnesses, we try to get them to limit their comments to five minutes and then an opportunity for questions. We'll get to them in a few minutes.

I might also say as we open the hearing that while this is a formal hearing and we only have the opportunity to hear from these witnesses, the committee does welcome and invites any commentary, any suggestions, positive recommendations that we can insert in the record of this hearing. So everyone is welcome to participate in that regard. We ask that you do that through a Member of Congress, either myself, Ms. Brown or to the committee. And Mr. Rahall is recognized for a motion to keep the record open.

Mr. RAHALL. I move as chairman, that the record remain open for those who wish to submit testimony in today's hearing for two weeks.

Mr. MICA. Without objection, so ordered. Again, you'll have the opportunity to submit testimony.

Let me start by, again, welcoming everyone. Let me also take a point of personal privilege. We have representatives—some elected officials here, not the ones on the panel, but if we have any elected officials, would you stand and introduce yourself very briefly?

Mr. SMITH. Doug Smith, Martin County Commissioner.

Mr. MICA. Real loud for the record, too.

Mr. ALLEBACH. Jeff Allebach, City of Orange City city council.

Mr. STRICKLAND. Harley Strickland, Mayor of Orange City.

Mr. VAN DER WEIDE. Richard "Dick" Van Der Weide, Seminole County.

Mr. MICA. Dick Van Der Weide, Seminole County.

Mr. MANGO. John Mango, the mayor of the beautiful City of Longwood.

Mr. LACEY. Charles Lacey, mayor of Winter Springs.

Ms. REPONEN. Bev Reponen, councilwoman Maitland.

Ms. LUCARELLI. Jo Ann Lucarelli, City of Lake Mary commissioner.

Mr. HUSSEY. Gardner Hussey, City of Altamonte Springs commissioner.

Mr. WOLFRAM. Steve Wolfram, City of Altamonte Springs.

Mr. SCHIEFERDECKER. Howard Schieferdecker, mayor of Maitland, also one of the beautiful cities that are involved in the SunRail.

Mr. BRUMMER. Fred Brummer, Orange County Commission.

Mr. MICA. Do we have anyone else in the back? And we also have representatives of—I know we have at least a representative of Rep. Webster.

VOICE. Congressman Webster's Office.

Mr. MICA. Anyone else representing any—yes.

Ms. LITTLE. Edie Little with Representative Hukill.

Mr. MICA. I'm sorry, louder.

Ms. LITTLE. Edie Little with Representative Hukill.

Mr. MICA. OK. Representative Dorothy Hukill.

All right.

Ms. BROWN. Mr. Chairman.

Mr. MICA. Yes.

Ms. BROWN. I think the Secretary of Transportation is here.

Mr. MICA. Who is that?

Mr. BRUNO. Noranne Downs.

Mr. MICA. Oh, Noranne Downs. I didn't see her in the back. Our district secretary, Noranne Downs, welcome and you're recognized.

And I'll also say, I don't know if she's in the room now, we have our Secretary Kopelousos, who has joined the committee staff and with us for about a month and a half, two months, in the interim from leaving as secretary of transportation to new county manager role. And she's been gracious to help us in helping craft the legislation we're about to undertake and bring together other secretaries of transportation. In fact, she had them in town this week in Washington working on that project.

Again, I'm pleased to welcome you this morning to this hearing. Let me say that this hearing is important and it is part of a series of hearings. When I assumed the responsibility to lead the com-

mittee, I felt that it was incumbent on us to pass a long-term transportation bill, which sets forth, of course, the policy, the projects, the funding formula, again, all the details, the blueprint for our Nation to go forward with all modes, multi-modal transportation. Sometimes they refer to the transportation bill as the highway bill. I don't intend for this to be a highway bill.

But I thought it would be good to hear from, not just the Members of Congress and some particular interests in Washington, but around the country. So we engaged on a series of hearings. The first hearing we held about, what, a month ago, Mr. Rahall, and I thought we should also do this in a bipartisan manner. It's my pleasure to kick off the series of national hearings in the hometown of Mr. Rahall, the Democrat leader of the committee. And so we took the committee to Beckley, West Virginia and we were fortunate to enjoy his hospitality in his community and hear from the citizens of his community and then we went up to Charleston (sic), the capital of West Virginia.

Mr. RAHALL. Ton.

Mr. MICA. Ton, T-O-N, OK. I'll get it right. I like both of them, South Carolina and West Virginia.

But from there we went on to a series of hearings around the country. We started after a 4:30-in-the-morning vote. I think we convened at 10:30 in the morning in Columbus, Ohio. We were in Indianapolis, Indiana. We were outside of Chicago. We flew to Oregon. Held a hearing in Vancouver, Washington. One in Fresno, California and then down—we had an unusual hearing in Los Angeles because it was a joint hearing between the House and senate bicameral and bipartisan.

Mr. Rahall and I have a counterpart committee in the senate. It's environment public works. It's headed by Barbara Boxer and then also—she's from California and, of course, we did the hearing with her. And then Mr. Jim Inhofe from Oklahoma. So after California we were in Oklahoma, both in Tulsa and Oklahoma City. We were in Arkansas, Tennessee—today, of course, we're in Florida. This is the only hearing we'll have in Florida. We picked this because Mr. Oberstar, my predecessor, last year did a hearing in Miami. We also have hearings scheduled for New York and Pennsylvania towards the end of the month and then we will have some hearings in Washington also the end of the month and hopefully begin drafting a long-term bill.

About a week ago, with the help of Mr. Rahall and both sides of the aisle in our new powerful freshman class, we passed on a vote of the House to take the transportation portion and extension, the sixth extension—well, we had done six extensions of the transportation bill which expired in 2009. We took that out of the CR, the continuing resolution, because we've been funding the government, as you know, on sort of a hiccup basis and the last CR expired the 4th of March. And in that was the sixth extension of the transportation bill. Again, that sets forth the policy and funding formula for all of our states, not a way to operate. But we managed, again, through bipartisan support to take out the transportation portion and we put it into a seventh extension that takes us to the end of this fiscal year, September 30th, to give some certainty, to give some stability to the program.

And now I know Mr. Rahall and I are fairly capable to lead the committee, but we weren't able to draft the long-term bill and pass it by March 4th in spite of our capability. We still needed some time to do the long-term bill. So that's what this hearing is about. This is a prelude to putting together the six-year transportation measure. What we hope to hear today are suggestions on how we can improve programs, how we can change the law to make it operate better. Some of the panelists we've chosen, and this is just sort of a sampling of folks who will tell us that, maybe you can, too. We aren't here for one project or another project. We're more interested in how we can improve the process, the law, the difficulties, folks, that incurred with dealing with the Federal Government or in putting projects together or making transportation and infrastructure happen. And certainly we can probably write the book on that in Central Florida. But there is a lot of room for improvement and that's what we hope to have in this legislation.

So today we're looking for positive suggestions that we can put into law that will make the process go smoother, to get more bang for the buck, so to speak, and also be able to have some sound policy and it will be a multi-mode bill, not just highways, but rail, just about every mode.

Concurrently we're also going to do an FAA bill and we should have that before the House the last week in this—the last week in this month. We've had 17 extensions. That bill expired in 2007. And Mr. Rahall and I have pledged to not let that continue, but to try to have that wound up hopefully in the next 60 days and have permanent policy and legislation in place authorizing our Nation's important aviation industry. So that's why we're here. The purpose of today's hearing. I thank you, folks, for coming out and thank our witnesses in advance. We'll hear from them in a few minutes.

Now, I'm going to yield to, again, the Democrat leader, the ranking member, the gentleman from West Virginia for Mr. Rahall for an opening statement.

Mr. RAHALL. Thank you, Mr. Chairman. And indeed it's an honor for me to be here in Central Florida, the district represented so well by you and our colleague, on my side, Representative Corrine Brown, also from Florida. You've been given the history of our field hearings thus far. I do appreciate the bipartisan manner in which you have conducted these hearings. The fact that you did come to my hometown in West Virginia to kick them off and the manner in which you have thus far lead our committee on transportation and infrastructure.

You know, different regions of our country do face different challenges when it comes to transportation policies. Certainly the needs here in Central Florida are different than the unique needs we have in my terrain—rugged terrain in Southern West Virginia with areas very difficult to reach.

So when we craft a transportation policy, I think it's important to recognize that we will find that no one size fits all. And that a solution to our Nation's transportation needs are critically needed in order to put our people back to work in good, long paying jobs that will make our economy more competitive and indeed continue the recovery upon which we are embarking today.

At the start of this process Chairman Mica and I pledged to work in a bipartisan fashion. We pride ourselves on this committee in saying that there are no Republican bridges, no Democratic bridges, they are American bridges. And that is certainly true under Chairman Mica's leadership. A safe and moderate transportation system is one of the most fundamental services, I believe, that our Federal Government can provide our people. And because of—we've been unable to address it in a long-term reauthorization bill thus far, we have placed many of our jobs and many of our industry of this country in a financial disadvantage by not providing them the certainty that they need in the form of a long-term transportation bill.

So under Chairman Mica's leadership, I feel very confident we can do that and hopefully before the end of this calendar year. So I express my thanks to each of you for being here as well as an excellent turnout. Thank you, Chairman Mica.

Mr. MICA. Thank you. And let me yield now to my partner, and for the members visiting, this is Maitland, Florida. Ms. Brown and I get to represent part of this community and are very privileged to hold a hearing here in the heart of our district. So Ms. Brown is also the former chair of the Rail Subcommittee and now is the ranking member of the rail committee. The young lady from Florida is recognized.

Ms. BROWN. Thank you, Mr. Chairman. And thank you for holding this hearing and I thank my colleagues for coming. Let me just give one minute on a little institutional memory because when we were elected to Congress back in 1992 for every dollar that we—from Florida sent to Washington we was getting something like 77 cents back. We worked to change that formula. And, in fact, my good colleague and friends from West Virginia was taking most of our money. We're on the same side, that's why I'm saying.

But keep it in mind, transportation is very bipartisan and we work very closely together to move the needs of the people in this country. And infrastructure, in my opinion, is the key because for every billion dollars we spend, it generates 44,000 permanent jobs and that is so crucial with the downturn that we're experiencing. And I've got to tell you, here in Central Florida we've got a lot of needs and we are very excited about working together as a region to address those needs. And the motto of my former military person was, one team, one fight. And that's what it's been. We've been working together in the communities to change the congestion and the problems that we've been experiencing on I-4. And everyone in Florida, except for the governor, Rick Scott, understands—

[Applause.]

Mr. MICA. I might say, this is a formal hearing and in a formal hearing those who don't—who wish to express themselves may only do so through their representatives. So I wish folks would refrain from, you know, commenting on either side. It's just the protocol of our hearings, but that's appropriate, so thank you.

Ms. BROWN. All right. And I'm going to say what I said again. Everyone in Florida, except for the governor, Rick Scott, understands that we can't add one more lane because that's what he came to Congress and said, we want one more lane on I-4. We already have eight lanes on I-4. We all know that one more lane

won't help us in any way. Any way. We have close to 40,000 people a day commuting from Daytona to the Orlando region going back and forth.

Well, I tell you what, last week I went to Salt Lake City, Utah and they have the money that we turned down some years ago, and they are running 40,000 people a day, folks. I mean, the future of Florida and how we compete with our competitors is in rail. I mean, the idea of being able to get on a train and go from Orlando to Miami, 200 miles, one hour and 15 minutes is the future. And we work very closely together with the high speed rail project to get 90 percent of the funding, 90 percent. That just does not happen. Ninety percent.

And ten percent was coming from the private sector. Eight different companies that have come to the plate have said that they want to partner with us. They will pay any additional costs, any overrides, but they just want the first option to go from the Orlando to the Miami piece. Now the Federal Government paid for the stay. You know, everybody in this room got an opinion, but facts is the hard thing to get around.

And we did a study and, in fact, when I was coming up—I used to like this program, Badge 714, and Sergeant Joe Friday used to say, the facts, ma'am, just the facts. And that's what we need, the facts on the study that we paid for, Mr. Chairman. We don't have that study available and I'm asking the committee to get a copy of that study from the State of Florida so that we will have the actual factual information on the study. Can you give me the process what we have to do to get it? Because as we speak, the State have not released that information. And let me just say one other thing, I see all kinds of rumors about how much has been spent on this project. Well, I tell you, my figures show that only about \$21 to \$30 million have been spent. In other words, at least \$127 million coming back to the Federal Government, we're going to make sure that not one penny is spent that was not obligated.

Now one thing, as I close, I have been very depressed. I keep thinking about all of the jobs that the people could have with 12 percent unemployment. I know everybody in this room have a job, but we have 12 percent unemployment. What does that mean, over 2 million Floridians are out of work, good jobs, construction jobs, railroad jobs, so I—five minutes before Friday, five minutes before 5:00 I got a call from the secretary, at least they're putting the money out, but we have an opportunity to compete. So as the minister said, there's still a ram in the bush, or in other words, there's still a dog in the fight and we're still in it.

Thank you, Mr. Chairman.

Mr. MICA. Thank you.

Let me yield now, and I thank her for coming probably the furthest, from Hawaii. A young lady from Hawaii. She serves on four of our six subcommittees, Ms. Hirono.

Ms. HIRONO. Thank you very much, Mr. Chairman and aloha everybody.

The AUDIENCE. Aloha.

Ms. HIRONO. It's great to be here. I'm sure many of you have visited Hawaii. Hawaii and Florida have quite a few things in common and the chairman tells me that this weather, for example,

which is really gorgeous is very much representative of what I experience whenever I get to go home, but also our reliance on tourism. We have a lot of issues in common, so I'm glad to be here. I have served on the transportation and infrastructure committee going on five years now and one of the major aspects of this committee that really enables us to work together is that every single one of the members, 435 Members of Congress, have—represent districts where transportation needs are at the top of the list of both projects and issues that we need to address. So it does make for a very bipartisan effort.

And in Hawaii for the first time in decades and decades, we are on our way to providing light rail. We don't have a mass transportation system in Hawaii, except for buses. And, of course, we have a very unique situation in Hawaii in that we have islands and you can't get from one island to another by driving. Every single state, every region has unique needs and we have common issues, too, such as how are we going to pay for our transportation. So these kinds of hearings are really important for us to see literally on the ground your thoughts, your concerns, your ideas that I hope we can reflect in this massive transportation bill that we will be working on under the chairman's leadership.

So again, I'm here to hear what you have to say and as we say in Hawaii, Mahalo Nui Loa. Thank you very much.

Mr. MICA. Thank you.

Let me recognize now, the gentleman from Texas. As I said, he's a new Member of the Committee, part of that new powerful class that's entered Congress.

Welcome, sir, you're recognized.

Mr. FARENTHOLD. Thank you very much, Mr. Chairman. I'd like to thank everyone in Central Florida for their hospitality. I'm a regular visitor to Central Florida. I'm here pretty much every year for long as I can remember. College, visiting the theme parks and as a radio talk show host coming to spring training for baseball. So it's good to be back in what I would consider one of my second homes, Central Florida.

Texas and Florida have a whole lot in common. We understand how difficult it is to get things done and how Federal dollars come with Federal red tape and Federal red tape even comes to private projects without Federal dollars. And part of what I feel our freshman class was elected to do was to come get Washington out of your hair and that's one of the things we're doing.

The other thing, I think as freshmen, we were sent to Washington to do was listen. There's a broad feeling that Washington has lost touch with the folks back home and the freshman class is committed to listening. One of the things we were able to work with the leadership to do is get a schedule together. They gave us as much time back home as possible. One week a month we typically will be free to come home or travel the country to learn what the folks who elected us want us to do. And that's the reason I'm here, to listen to you to know what you guys want done or probably more likely what you want undone with the Federal Government.

Thank you very much for coming out to listen, everyone in the audience. And to our panel of witnesses, I look forward to your

input. Thank you. God bless Texas. God bless Florida and God bless America.

Mr. MICA. I think that concludes our opening statements. And we'll turn now to—we have one panel of witnesses and as I said, this is representative of the—of some various topics that we need to address and this long-term bill. And what I've done in the other hearings is I tried to get folks not to read a prepared statement, but to try to give us the top points that they would like to see. Again, we are going to be sitting down at the end of this month, the beginning of next month and crafting new Federal law, new Federal guidelines, a blueprint for the next six years, probably for the next decade because it takes a couple of years to pass a new bill and enact another one after they expire. So it does take a while to get these things passed and we want as much positive reform and as many positive provisions as we can in this legislation to move forward.

So with that, again, let me welcome our witnesses. I won't introduce them all at once here. We'll introduce them individually, then the order of business, we'll withhold questions until we've heard from the whole panel and then we'll open it to questions from members.

So with that, our first witness and no stranger to Central Florida is Mr. Frank Bruno. He's served as the chair of the county council. He's been involved in numerous transportation initiatives in Central Florida and a leader, not only locally, but statewide.

Good morning, Mr. Bruno, welcome. And you are recognized.

**TESTIMONY OF THE HON. FRANK BRUNO, COUNTY CHAIR,  
COUNTY OF VOLUSIA**

Mr. BRUNO. Good morning, Mr. Chairman.

Thank you, Mr. Chairman Mica and Ranking Member Rahall, and the Members of this Committee for the opportunity to provide testimony at this field hearing on improving and reforming our Nation's surface transportation programs.

I represent Volusia County, which is framed by the Greater Daytona Beach area with 46 miles of beaches on the east and the St. Johns River and the outskirts of Orlando to the west. The County has a population of about 500,000 and encompasses 16 municipalities within a geographical area the size of the state of Rhode Island.

The national recession has hit our Nation and Volusia County hard. Locally, businesses small and large have closed. Our residents have lost their jobs and have had their hours or benefits reduced and some have even lost their homes. The economic slump hurts tax revenue while demand for government service increases. We cannot rely on spending alone.

Here's our solution. Volusia County has moved forward with partnerships, responsible spending and careful decision-making. How have we accomplished this in the middle of the most difficult economic conditions our Nation has experienced in more than 70 years. Similar to the goals of this Congress, it did not start with more spending. We have adopted this model of governance to solve transportation and infrastructure projection.



As everyone here knows increases in infrastructure needs do not always decrease in tough economic times. I'd like to give you four examples of partnerships that we've had in Volusia County: A cost sharing venture with the City of Port Orange and the county and the state; the four-lane South Williamson Boulevard, that's a \$11.8 project, without this partnership this would have remained two lanes for the foreseeable future. Dunn Avenue extension over I-95. It's a \$10.3 million unique partnership with the Federal, state, county, city and private participants which advance the construction by more than ten years with a major overpass providing much needed economic stimulus. The City of Daytona Beach Shores traffic signalization upgrade on Dunlawton is a \$300,000 project. It was a city-led project funded equally by contributions from the city, the county and FDOT financing the Central Florida commuter rail system, we call SunRail, 61 miles route linking DeLand to Downtown Orlando. This is a partnership between Volusia, Seminole, Orange and Osceola Counties, the City of Orlando, the state and the Federal Government. This takes thousands of cars off of our highways and creates over 13,000 new jobs statewide.

I'd like to talk briefly about the American Recovery and Reinvestment Act of 2009, which we found extremely challenging to execute and implement. Since 2008 the Florida Association of County Engineers and Road Superintendents, FACERS, and the National Association of County Engineers, NACE, have worked towards streamlining the Federal Aid Program for projects for Local Public Agencies. The main issue for us involves having to meet the entire gamut of Federal regulations for projects that may be as little as \$50,000.

In April 2009, NACE—I'm sorry. In April 2009, NACE adopted a policy to develop and advocate legislative language changes to the next transportation and authorization bill to improve the efficiency of implementation of the Federal Aid Program by local governments. We believe that just as the Federal Government needs to push down projects to the states and local agencies, there is a level of local projects that should be even further delegated and exempted from the state management to reduce redundant oversight and increase flexibility and efficiency.

The 112th Congress and the committee has an opportunity to create more flexible framework for state and public agencies to accomplish transportation projects by, one, streamlining the project approval and fundraising process for infrastructure projects; two, having the Transportation Reauthorization Bill create legislative support and incentives for public private partnerships; three, develop a more holistic approach to defining regional projects that consolidate individual segments and allow maximum flexibility to apply project savings as they are created; and four, create an exemption level for the smaller projects that do not require Federal or state oversight to streamline their implementation process, thus save on overall costs.

In closing, I want to express my thanks to Chairman Mica for his interest and commitment to creating jobs and helping America build its transportation infrastructure. Your passion and leadership on this issue is just what America needs. We think that a recovery strategy based on innovative, regionally-based approaches and

partnerships is just what America needs most. We think that such an approach would be transformative to solving the problems of our Nation in a timely and ultimately fiscally efficient manner. And we hope that this Congress can work towards developing such a plan this year. I look forward to working with you both and your respective committees and will be available to assist in any way that is helpful.

Thank you.

Mr. MICA. Thank you for your testimony. We will now turn to the second witness, who is Ananth Prasad. Mr. Prasad serves as the Assistant Secretary for Engineering and Operations for the Florida Department of Transportation.

Welcome, sir, and you're recognized.

**TESTIMONY OF ANANTH PRASAD, ASSISTANT SECRETARY FOR  
ENGINEERING AND OPERATIONS, FLORIDA DEPARTMENT  
OF TRANSPORTATION**

Mr. PRASAD. Chairman Mica and Members of the Committee, thank you for the invitation and the opportunity to discuss ways to improve and reform our Surface Transportation Program.

We at Florida Department of Transportation work every day to provide a transportation system that helps people move people and goods across the state and the Nation, boosts economic prosperity and growth, all while improving Floridians' quality of life.

My testimony this morning, I want to focus on the following goals: First, maximizing the rate of return, the reduction of the number of Federal transportation programs, cutting government red tape, streamlining project delivery, expansion of private sector investment and other creative financing alternatives and adoption of performance and accountability measures.

Building and investing in our infrastructure is fundamental to our state and our Nation's economic future and growth. The faster we can move people and goods to their destination, the faster our economy recovers and more prosperous our Nation will be. But with scarce resources and dollars, we must be vigilant to insure that we must invest only where taxpayer's money will be put to good use.

Florida is a donor state and historically has received 86 cents on every dollar we send to Washington. This has to change. The goal of the new Federal reauthorization law should be one that is formula-driven which provides flexibility so that the donor states can achieve a higher rate of return without negatively impacting what can be delivered. We applied the no earmark stance, but let's take it one step further, let's look at all the earmark funds that have been done in the past, but have not been committed. Just in Florida alone that amounts to about \$100 million. And I'm sure nationally it's in hundreds of millions.

Over the years, the Congress has asked state departments of transportation to do more things with fewer resources. With the downturn in the economy, it's time to tighten our belt. This is exactly what we're doing in Florida. Instead of funding more than a hundred individual programs in the next transportation bill, we should focus on a few core programs which will grow our economy. We must give serious considerations to whether—when resources

and dollars are at a premium—spending money on a sidewalk, bike trails, beautification, and other projects like these is the most prudent use of taxpayer money.

Unnecessary Federal mandates and regulations stifle efficiencies, force states to spend transportation dollars on unrelated initiatives and delay critical transportation projects. We must eliminate these mandates and regulations that hinder investment, from both public and private sectors, and in essential transportation projects. Mr. Chairman, I want to make mention one specific example, the Davis-Bacon Act. It requires states to pay prevailing wages on public works projects.

In Florida, we just about meet or exceed the prevailing wage rate because the market requires us to pay that higher wage rate. Furthermore, this Act is not flexible. It does not contemplate any flexibility as to the type of work, duration of work or dollar amount of the contract. The Davis-Bacon Act applies to contracts in excess of \$2,000. I didn't misspeak. It's \$2,000. So let's look at adjusting that.

The real cost of the Davis-Bacon Act often is the mountains of paperwork and compliance costs imposed on the state DOTs. If we write the new bill to allow DOTs just like Florida, to certify that we're complying with the Davis-Bacon Act, we can provide more services at a lower price. The bottom line for these mandates takes away precious resources, which could otherwise be dedicating building new roads and bridges and improving our aging infrastructure. A streamlined delivery of transportation improvements will result in immediate cost savings. Mr. Chairman, one bold idea we'd like to offer is, to allow by FHWA, to substitute state procedures for environmental review and compliance, acquisition and relocation, other programs when states can demonstrate that their laws, procedures, practice and safeguards meet or exceed Federal standards. At the end of the day we at the state level are held accountable for our decisions we make each and every day.

Increasing the gas tax is not an option. However, as we all know, the Highway Trust Fund is increasingly being asked to fund more programs with fewer dollars. Therefore, we must all work together to bridge this gap.

Florida currently has eight Public-Private Partnerships underway valued at about \$3 billion. It has helped us to finance large projects such as I-595, the Port of Miami Tunnel and the I-75 iRox project. Florida has shown through partnership with private sector that we can afford better transportation options, provide projects faster and deliver them under budget.

Mr. Chairman, we must have a national plan on tolling and be afforded the flexibility to toll new capacity on the interstate and major bridges on Federal highways in order to stretch the traditional funding that much further. One final point on funding, let's expand the Special Experimental Project such as SEP-14 and SEP-15, which have been quite successful for states to pursue privatization opportunities where it makes sense. And finally, the Federal program must evolve from the prescriptive nature to one that is performance driven, one that is based on performance measures.

Thank you, Mr. Chairman, for your leadership and your interest in identifying ways to improve and reform our Nation's transportation system and we stand ready to work with you and the Members of the Committee to develop new legislation that provides a roadmap to the future. Thank you.

Mr. MICA. Thank you for your testimony.

And we'll recognize one of our state transportation leaders, Bob Burleson, and he serves as the President of the Florida Transportation Builders Association. Welcome, Mr. Burleson, and you're recognized.

**TESTIMONY OF BOB BURLESON, PRESIDENT, FLORIDA  
TRANSPORTATION BUILDERS ASSOCIATION**

Mr. BURLESON. Thank you, Mr. Chairman, and good morning to you and Members of the Committee.

My name is Bob Burleson. I am President of Florida Transportation Builders which represents the construction industry—the transportation construction industry in Florida. I particularly appreciate the opportunity to testify at this field hearing and I'm particularly honored to appear before you, Mr. Chairman, in our home state. The main concern of our industry is the uncertainty of funding, which is making it extremely difficult for contractors and DOTs to plan and program projects over the next several years. Contractors are currently postponing decisions, such as purchasing new equipment or hiring new employees because they're unsure of the direction the program will take. Timely enactment of a multi-year surface transportation bill with dedicated and predictable levels of funding for maintaining and constructing our Nation's highways, to restoring confidence in our industry and is also, in my opinion, the key to our economic growth and job creation throughout the United States.

I certainly understand that asking for increased investment in transportation infrastructure at the same time Congress is trying to decrease overall spending and reduce our deficit is difficult. I believe first and foremost we must get our deficit under control. There's no greater threat to our country than the rising debt. We must align our transportation spending with the revenues coming into the Highway Trust Fund. As with all other areas of both our personal lives and government we have to live within our means.

Someday in the future I hope we will certainly address the need to increase those revenues. Until that time we cannot spend more than we take into the trust fund. That requires us to set priorities, streamline the process and work smarter. I certainly recognize that transit plays an important role in moving individuals from place to place, particularly in our urban areas. I would ask that you consider allowing the Highway Trust Fund to revert back to its original purpose of building and maintaining our interstates and other Federal highways. Transit is needed and deserves a dedicated funding source of its own. Until that is established, transit should obtain its fund from general funding. That would provide a substantial increase to highway funding.

We must protect and maintain the investment we have in our national highway system. I urge you to minimize the number of funding categories and Federal programs through which funds are

distributed. We cannot afford to fund such non-basic items as landscaping, bike paths, transportation museums, to name a few, in these economic times.

Much has been discussed about Public-Private Partnerships and Florida has been a leader in Public-Private Partnerships. We must allow tolling of any added capacity on our interstates and other major Federal highways. We cannot view PPPs as only a source of capital for future projects. The PPPs must bring their own revenue source, generally tolls, to the table. Simply speeding up the start of a project by borrowing money from a private investor with the only source of repayment to the investor being future year's revenue does not create a bigger pool of funding. We simply kick the can down the road. As I've said before, now more than ever, we must pay for what we do.

The past two surface transportation reauthorization bills have included project streamlining provisions and to date, projects still take nearly two decades to complete. The GAO says there are as many as 200 major steps involved in developing a transportation project. I hope that this new bill will contain some real progress in streamlining project delivery.

Mr. Prasad mentioned the Davis-Bacon Act and I'd like to mention just one area. Many of the rates that have been established in Florida early in 2009 make perfect sense. But we have other rates that are way out of line. We have examples where the mandated rate for a laborer is more than the rate for a crane operator. This makes absolutely no sense. These type of wage decisions only serve to raise costs when we need to use our resources as wisely as possible.

Finally, Mr. Chairman, the Federal gas tax has served us well for a long time as a funding mechanism. We must develop a new type of funding mechanism. It must continue to be a true user fee. It must include a way to charge alternative fueled vehicles. I would encourage the Committee to consider a serious study of vehicle miles traveled or VMT as a new funding source with a goal of going to a VMT system nationwide by 2020.

Thank you, Mr. Chairman. I really appreciate the opportunity.

Mr. MICA. Thank you.

And we'll hear now from Mr. Randy Whitfield and Mr. Whitfield is the Staff Director of the Palm Beach Metropolitan Planning Organization and serves as executive secretary to that board. Welcome and you're recognized, Mr. Whitfield.

**TESTIMONY OF RANDY M. WHITFIELD, STAFF DIRECTOR,  
PALM BEACH MPO**

Mr. WHITFIELD. Chairman Mica and Members of the Committee. I'd like to thank you for the opportunity to testify at this hearing in consideration of the next Surface Transportation Bill. I'd like to address several points today related to transportation funding, the need for flexibility in meeting those transportation demands and the process involved in providing mobility.

Transportation funding is currently divided among a number of programs that have associated guidelines and requirements limiting the use of those particular funds. Funding should be streamlined into a few funding programs that have flexibility and can be

applied to a wider range of programs involving maintenance and capacity increases. There should be a floor for these programs ensuring that funding is available for all modes. There should be some level of transferability among the programs at the lower levels to address local needs. The ability to leverage these funds in partnership with the private sector needs to be encouraged and expanded.

Maintenance and operation of the transportation system is an important consideration today and into the future. Preservation of the current system must be a priority. National research into technology should be continued to find and develop ways to operate the transportation system safely and more efficiently. Intelligent Transportation System solutions such as the I-95 managed lanes and a regional transit Smartcard that we're working on in South Florida will play a larger role in providing for the mobility of people and goods.

To fund these streamlined programs, a reliable, predictable funding mechanism is needed. The gas tax has served the country well over the years, but no longer provides an adequate revenue stream to meet current and future needs. Increased vehicle efficiency and use of alternative fuels and energy sources is good for the environment and national goals to reduce dependency on foreign sources, but the transportation revenues are reduced. In addition, users of alternative energy sources are not paying a fair share of their impacts to the transportation infrastructure caused by vehicle use. A different funding mechanism is needed to ensure all users of the transportation system contribute to the program to provide adequate funding to construct, operate and maintain the transportation system.

How do you provide transportation using these funds and implement the needed projects to ensure capacity in the system efficiently? This requires a balancing act between local needs and regional objectives. As indicated in my testimony, I come from a large area in part of the Miami Urban Area. We are working together at the local level with the MPOs to address those local needs, but we've also created a regional committee to try and put together regional projects and to look at the bigger picture. These types of coalitions of the MPOs and transportation service providers have been created in other large areas of Florida. They are balanced in the local and regional aspects of transportation services with the flexibility inherent in makeup of the MPOs and councils. In time, these structures may evolve into more regional entities to remain competitive in the national economy.

Accountability is an issue that should be part of the process for providing transportation. Performance measures can play a major role in meeting transportation objectives and demonstrating to the public how funds are making a difference. These performance measures must be related to the overall goals and be able to show progress toward meeting these goals. They should be meaningful, easy to measure and easy to understand.

An area to apply these performance measures to show improvement is project delivery. This is an area that continues to need streamlining in the various phases of project development. Opportunities exist to expedite review of plans, environment impact,

right-of-way acquisition and project approval. An example of this is Florida which is implementing an Efficient Transportation Decision-Making process that affords an opportunity for review by all agencies at the same time. There are agreements with reviewing agencies committing them to project review within a specific time period. Any problem areas are identified early on so resolution can begin sooner. The process results in reductions in review time and documentation which moves forward with the project. All phases of project development should be reviewed to implement streamlining opportunities and expedite project delivery.

One project which I forgot to put into my testimony, but I do want to mention is the need for rail service along the east coast corridor from Jacksonville down to West Palm Beach and Miami, along the FEC corridor. That's a project that would use conventional rail, not that other type of rail, and we do support that.

In summary, the national transportation system is a key element of the economy and lifestyle for U.S. citizens. This system needs to be repaired, preserved and expanded to meet today's needs and tomorrow's demands. We need a simpler system to fund the program, flexibility to address the needs, a fair system of funding and decision-making where the demands occur and the ability to respond to these needs quickly.

Thank you for the opportunity to speak today.

Mr. MICA. Thank you for your testimony.

And we'll turn to Geoffrey Yarema and he is a nationally recognized leader in infrastructure, development and finance. Welcome, sir, and you're recognized.

**TESTIMONY OF GEOFFREY YAREMA, PARTNER, NOSSAMAN  
LLP**

Mr. YAREMA. Thank you, Mr. Chairman, Ranking Member Rahall and Members of the Committee. Thank you for inviting me here today. I've done a detailed statement and submitted it. I will only cover the—

Mr. MICA. No objection. Your entire statement will be made part of the record. Please proceed.

Mr. YAREMA. I am a partner in a law firm that represents state and regional transportation agencies around the country. And basically they are all struggling with the same problem. That is, how do they procure, contract and finance their largest and most complicated projects while minimizing the use of Federal grant funds. That's really the environment that we find ourselves in today.

We're very fortunate that we've been involved in delivering many of the signature projects around the country that have been doing just that. In addition, I was privileged to serve on the National Surface Transportation Infrastructure Financing Commission, appointed by U.S. Secretary of Transportation Mary Peters, which two years ago produced a final report. So my testimony today really reflects my experience on the ground representing public agencies as well as the work we did on the commission.

First, let's focus on what is the role of the Federal Government and the states in delivering transportation projects. The states have the primary responsibility for planning, financing, delivering and operating the physical infrastructure. The Federal Government

historically has provided partial funding and has regulated the activity that received that funding. That's changing. More recently the Federal role has evolved to offer less and less Federal grants and more and more loans and incentives to the states to maximize their contribution in delivering the infrastructure in the absence of the historical Federal share.

The good news is that Congress has the ability to strengthen the programs that we already have to better enable states to do more with less Federal resources—and less predictable resources. So the proposals that I put forward, many of which were backed by the Financing Commission's bipartisan and unanimous report, offer the states greater flexibility in finding innovative ways to pay for their own transportation projects, attracting private capital beyond what the public sector can produce, maintaining the user fee approach to transportation funding and ensuring long-term quality.

Maybe the single most important financing step the Federal Government can take is to enhance the TIFIA program. TIFIA is a loan program that was created in 1998 and it is the national infrastructure bank we already have. The administration has proposed a national infrastructure bank, but we already have one and it works very well. It offers credit assistance to highways, transit, intercity passenger facilities, freight rail and freight transfer facilities. The problem is that it's underfunded and undercapitalized. Since 1998, the TIFIA program has granted states more than \$8 billion in loans, supporting projects with a total capital value in excess of \$30 billion at a cost to the Federal budget of only \$1 billion.

A leading example is from Mr. Farenthold's state, the state of Texas—the North Tarrant Express project in the Dallas-Fort Worth region. That project, when completed, will create new tolled capacity within 13 miles of an existing highway corridor, including upgrading the existing facilities. This \$2 billion project was financed with \$573 million in state funds, \$400 million in private loans, a \$650 million TIFIA loan and \$427 million in private equity. So the total \$2 billion project was funded with \$65 million in Federal budgetary impact, the 10 percent credit subsidy cost for the TIFIA loan. That's 3.5 dollars for every hundred dollars of project. In addition to that, project revenues, not highway tax dollars, will cover 50 years of operating and maintenance expenses, thus preserving the state of Texas' limited transportation dollars for operating and maintaining the rest of its existing system.

So this is the type of result that I suggest needs to be replicated more and more around the country. Thank you, Mr. Chairman.

Mr. MICA. Thank you for your testimony. We'll now turn to Richard Lawless. He serves as president and CEO of U.S.-Japan High-Speed Rail. And he—I'll also note that he recently served as deputy under Secretary of Defense for Asian and Pacific security affairs. Welcome, sir, and you're recognized.

**TESTIMONY OF RICHARD P. LAWLESS, PRESIDENT AND CEO,  
U.S.-JAPAN HIGH-SPEED RAIL**

Mr. LAWLESS. Thank you, Chairman Mica, Congressman Rahall. I am, of course, pleased to be here today.

My testimony will focus on the high-speed rail passenger sector. And, in fact, because there has been a lively, mostly productive, I



think, but somewhat disinforming discussion about certain aspects of high-speed rail, I would like to discuss and share with you the evolution of high-speed rail in Japan in particular and offer some observations in that process on the current high-speed rail policies and programs of the United States and make some recommendations on the best way to go forward.

For the past two years my company has been partnered with the premier high-speed operator in Japan, JR Central—JRC for short—to investigate and look for opportunities in the United States where that experience and that capability could be usefully deployed. Allow me to share with you, briefly, some background on the history of high-speed rail operations in Japan that I think have relevance to what we're going through here in the United States.

Japan began life—Japan high-speed rail began life as a government-owned corporation and within a couple of decades it had pretty well made a mess of that through bureaucratic mismanagement. It was basically going under receivership. The government of Japan divided its national railroad into privately-owned networks. And in 1987, JRC assumed responsibility for the Tokyo-Osaka corridor, so-called Tokaido Shinkansen line.

Mr. MICA. Could you just—what is JRC?

Mr. LAWLESS. Japan Rail Corporation—Central Japan Railroad Corporation. It's one of the six operating companies in Japan. When JRC took on that responsibility as a privately-owned company, they assumed \$60 billion in liabilities for the existing system. That amount of money that they assumed as a liability was twice the then replacement value if they would have had to build that system anew. So they assumed all of that responsibility. Over the years, the 40 years of operation, JRC is a totally privately-owned entity with a cash flow of about \$16 billion a year in annual revenue and about \$1 billion a year in net income, was able to pay down most of that debt and in the process pay its shareholders a reasonable return on their investment as well as invest in new capacity and new capabilities. The core of JRC's success was due to an exceptional level of service. They simply offer a very high-quality of service to the riding public. A few examples, they move 140 million passengers a year. That equates to a train every five minutes, 323 trains a day with 1200 people on every train. The annual average lateness or delay on each train annual is less than 30 seconds. They have a perfect safety record, not having lost a passenger in over 45 years of operation. And at the same time having evolved the system through five generations of new built rolling stock and other systems to bring it to an optimal level of environmental friendly and efficient operations. The critical element of success, from day one for this system, was that it was planned, constructed and operated on a dedicated, grade separated corridor for the exclusive use of high-speed rail. That is to say this system operates with absolutely no commingling with freight or conventional passenger rail systems.

Unfortunately this strategic concept does not seem to be well understood in the United States and this comes back to the critical issue that was mentioned earlier by the regulators, many of which in the Obama administration, I believe, simply do not appreciate the importance of this particular issue. There are two elements in

particular that are in the mantra of high-speed rail as it's currently being discussed by the Obama administration and that is a nationwide system of high-speed rail based on the concept of inoperability. In my written remarks I go into quite a bit of detail as to why these two concepts are fundamentally flawed and will result in the private sector, which has to be involved and that's going to be involved, in building these systems. Both of these concepts essentially provide a cocktail that will discourage if not make impractical the full development and deployment of these high-speed rail systems in the United States.

Again, in the written remarks I go into a lot more detail, but I would suggest that as this committee looks at the restructuring of the laws and regulations, that we take some of these key considerations into account.

I thank you.

Mr. MICA. Thank you for your testimony.

We'll now turn to Cheryl Stone. If you could move the mic over for her.

Mr. LAWLESS. Sure.

Mr. MICA. And Cheryl Stone is a gubernatorial appointee to the Florida Rehabilitation Council and the governor's position on disabilities. She's President of the Central Florida Center for Independent Living; and she's also served as commissioner on Florida's Commission for Transportation Disadvantaged. Welcome and you're recognized.

#### **TESTIMONY OF CHERYL STONE, ON BEHALF OF THE TRANSPORTATION DISADVANTAGED COMMUNITY**

Ms. STONE. Thank you.

Good morning and welcome to Central Florida. Thank you for the opportunity to speak to you on the issue of transportation for those of us that may be considered transportation disadvantaged. We are people who are unable to transport ourselves or even purchase transportation due to a disability, income status or age, and we have no other form of transportation available.

My name again is Cheryl Stone and I have been transportation disadvantaged, or TD, as we say. Although I use a wheelchair as a result of polio, I've been able to drive most of my adult life. But almost 20 years ago I lost that ability for a while. I realized then the real meaning of "you don't know what you got, until it's gone." Then I had to find transportation to get to work. At that time I was a clinical microbiologist. I retired after 30 years in the health care service.

I used our local, but very limited para-transit service until I was able to drive again. But since that time I now work with others in my community to improve and build on our transportation successes. There are many areas within the SAFETEA-LU bill that impact our quality of life. I pulled out a few to show you some examples of how they have worked for us and made recommendations on how to make them a little better. I'd like to address a few of them here. The New Freedom and Job Access Reverse Commute Programs provide grant opportunities for transportation services go beyond the ADA requirements and for employment for persons who are transportation disadvantaged.

Here in Orange, Osceola and Seminole Counties there are over 2,500 square miles of urban and rural communities. People often live in one county and work in another. Lynx, our local transit authority, has used Federal funding to create a FlexBus service beginning with a vehicle in one locality. Now there are several more in other areas. You are picked up within two hours of calling the service and can go any place on a defined route of five to seven miles most of the day. It's reliable, cost effective and assessable. Passengers have transportation that meets their schedules and local businesses benefit also.

This is an example of transit options needed for liveable communities and will help people remain in their homes as they age. It's vital to maintain and expand funding for such programs and even for others that may have been developed with different funding streams, local Department of Transportation grants can be limited and additional monies may be needed for service development and program success. Such support is critical.

Next, inclusion of persons with disabilities in the planning process is a win-win for all. Passengers with disabilities are stakeholders involved in local transportation plans with Metro plan Orlando here in Orlando. Learning that what really goes into getting from Point A to Point B and also becoming a forum transportation advocate, sort of how I started.

At the same time we hope others understand that we don't want "special" transportation. We want access to the same transit modes so we too have mobility choices. This is a cross-disability effort including everything from pedestrian walkways, to giving us input on the latest changes to the planning agency's website. Funding for planning is important, but because our citizens know our community needs best, it's equally important for our transportation decisions to be made at the local level. By keeping it local, we will have greater buy-in of new ideas, particularly when we can see the immediate impact. Often the process is long and involved when coming from the top down.

And finally, a recent Government Accountability Office report still shows a need for increased efforts to coordinate transportation services. There are proven benefits to coordination, including lower trip costs due to shared rides, the ability for communities to increase service hours in areas, increase safety and prove customer service and improve technology, all of which break down transportation barriers.

Florida has an award-winning coordination program administered and monitored by the Florida Commission for the Transportation Disadvantaged. Transportation is purchased and coordinated for a variety of organizations and human services agencies, including Medicaid non-emergency trips. In the 2010 annual report 51 million trips were provided to over 800,000 persons traveling more than 130 miles in Florida. Not just medical trips, but for employment, education, daily activities and even volunteering. Unfortunately the coordinated system was unable to provide over 600,000 requested trips.

By 2015, the estimated potential TD population in Florida may grow to over eight million persons. This will include the baby boomers who are living longer, veterans and other who may have

a disability and more persons who, because of hard economic times, are low income. Incentives for coordination and strong policies to prevent efforts to block coordination at Federal, state and local levels are necessary to keep all citizens engaged in life activities.

Transportation is about choices. Personally I'm still looking forward to and support efforts to achieve the various rail projects that will be in our future not only because there will be more choices, but I know that such projects will also bring needed improvements in our local infrastructure, like roadways and transit services. No one type of transportation stands alone and access to all is the true meaning of independence. Thank you again for your time and attention.

Mr. MICA. Well, thank you again for your testimony of each of the witnesses this morning.

First of all, I'd like to ask unanimous consent that the testimony provided by Sharon Calvert on behalf of the Florida Alliance be made part of today's hearing record. Without objection, so ordered.

[The information follows:]

# The Florida Alliance

Sharon Calvert  
Written Testimony  
Committee on Transportation and Infrastructure Hearing  
March 30, 2011

# Florida Alliance

Thank you for this opportunity to provide public testimony to this Transportation Subcommittee on Highway and Transit Hearing.

I represent the Florida Alliance, a coalition of grassroots organizations in the state of Florida, representing thousands of citizens across the state, who have focused on transportation issues in Florida over the last year. We want to ensure that the taxpayer stakeholder is allowed to provide input and ideas as we are the users and the funders of transportation projects.

There are limited resources available today to fund transportation projects. The economic climate insists that those limited resources be used for the must-do needs and not the nice-to-do expenditures. Therefore, the Highway Trust Fund must be reformed to its original core functions. To that end we support the Transportation Empowerment Act introduced by Senator DeMint in April 2008. This bill empowers the states to collect most of the federal gas tax monies that are currently being sent to Washington and reverses the trend started in 1982 where politicians included 10 earmarks in the Transportation Reauthorization bill. This earmarking grew to over 7,000 earmarks in the 2005. The Transportation Empowerment Act would reduce federal bureaucracies and empower the states to determine their own transportation priorities. This bill would allow donor states, like Florida, to retain 100% of their gas tax dollars rather than receiving only about 80 cents back for every dollar sent to Washington.

Secondly, regarding the Highway Trust Fund, approximately 38% of federal automobile gas taxes are diverted from roads and highways, the largest diversion being made to transit programs. Re-diverting those funds back to roads and highways will bring the much needed revenue to improve our roads, highways and bridges, which are used on average by 98% of all Americans who travel each day.

Thirdly, all transportation projects should be required to pass cost-effectiveness criteria, state its return on investment, reflect the share of the total cost paid by users and what benefits that other taxpayers get from their share of the cost. Transportation projects must not consider "Livability" criteria which is subjective, cannot be well defined or quantified. Immeasurable livability objectives perversely justify projects that increase traffic congestion, increase travel times and raise housing prices. Capital projects must prove they have funding to support the ongoing operations, maintenance and periodic major rehabilitation, replacement or reconstruction that is required to sustain the projects. For example, there is currently a backlog of major maintenance for existing rail systems of \$78 Billion. Transit projects should be approved only if they improve automobile travel times and do it at lower cost per passenger mile than any alternative, including expansion of highways. Effective use of the limited resources for transportation projects require efficient use of resources by setting measurable goals with the ability to meet those goals at the lowest cost with the greatest benefit.

# Florida Alliance

Furthermore, Private bus service also exists in Florida, and nationwide private bus service moved more people last year than Amtrak. We need to remove barriers and regulations to encourage private sector solutions such as local shared taxi services which resemble airport shuttle services many airports provide. These services are used today in Atlantic City and Puerto Rico.

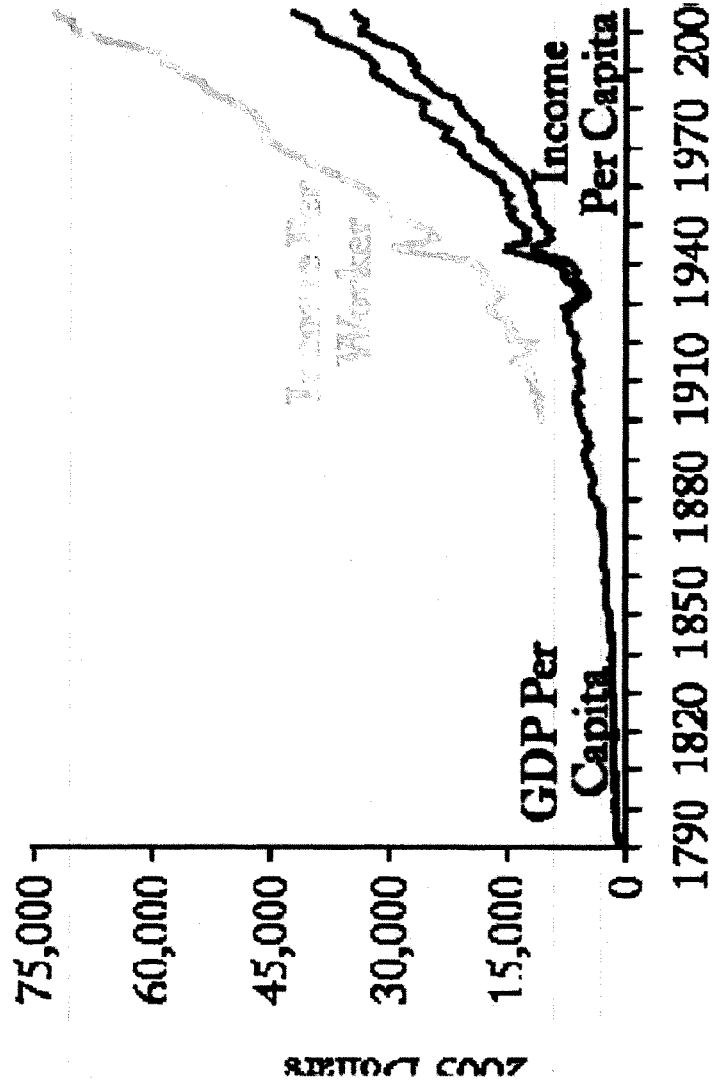
Finally, Innovative solutions are on the horizon to support personal mobility, which includes Intelligent Traffic Management and Cooperative Adaptive cruise control that allows more throughput on existing roads. Road solutions such as the double-decker Selmon Expressway in Hillsborough County increased capacity without having to acquire additional right of way. We also cannot discount telecommuting which will decrease congestion on our roads at zero cost to the taxpayer.

Thank you again on behalf of the Florida Alliance, representing the taxpayer stakeholder, for the opportunity to provide this testimony.

Sharon Calvert  
Tampa, Florida

Spokesperson on Transportation issues for Florida Alliance, a coalition of over 120 Tea Party organizations in Florida  
President of Tampa Tea Party  
Spokesperson for No Tax For Tracks, Hillsborough County PAC

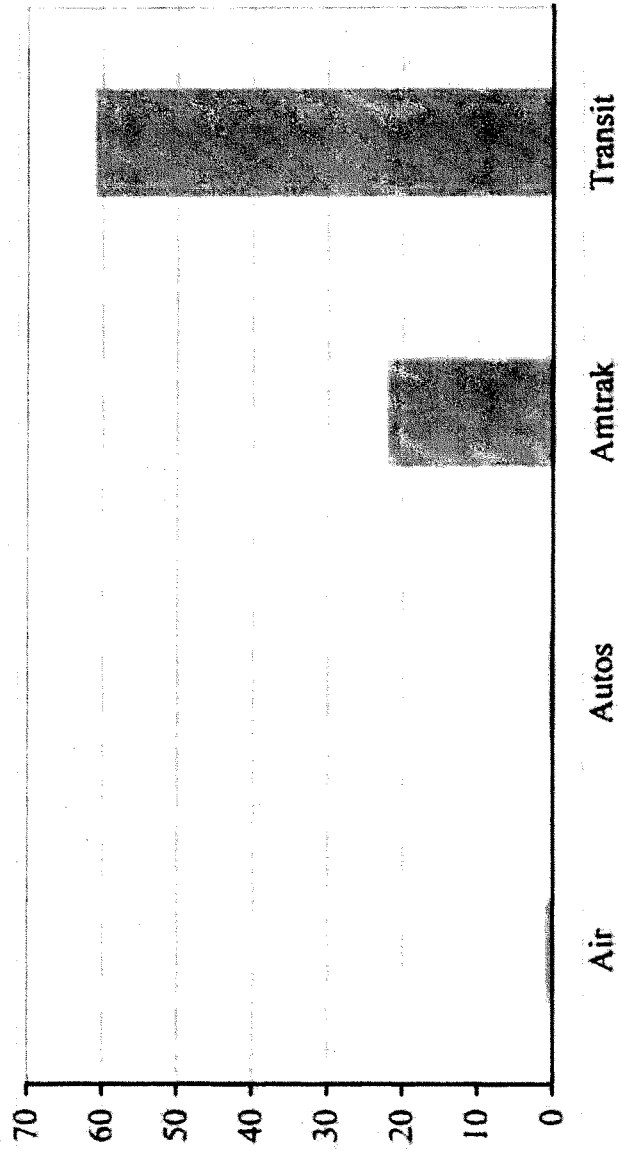
## U.S. Incomes & GDP



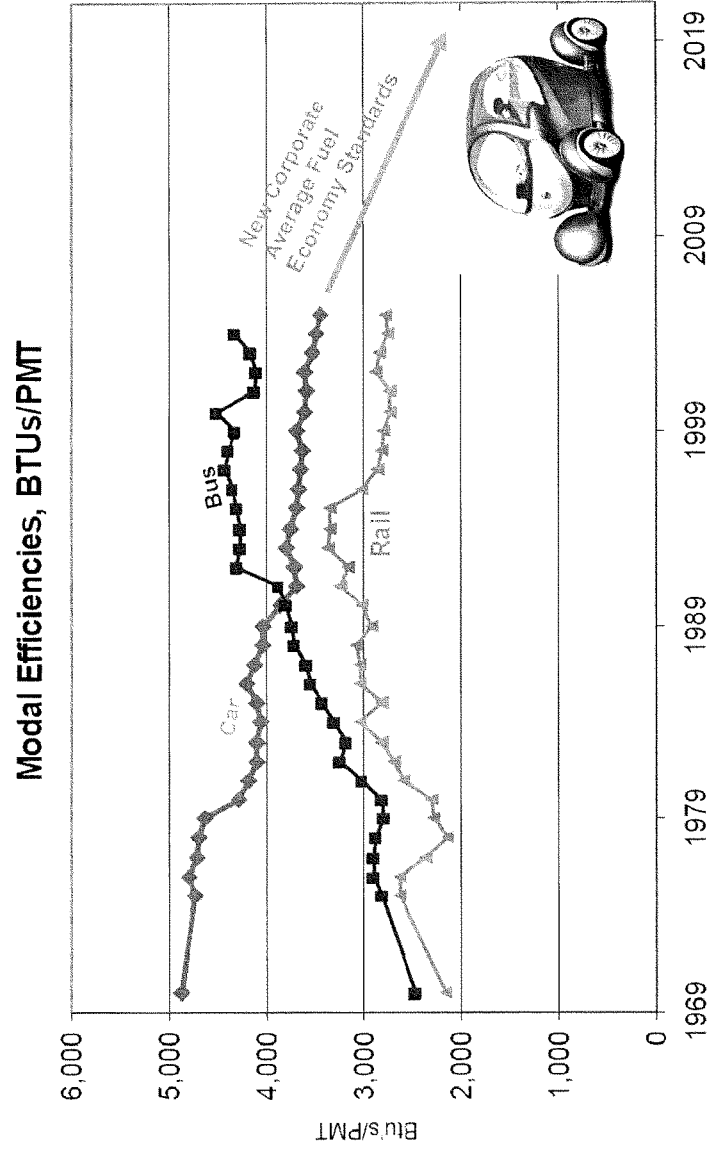
Increase in Income per Worker and Income per Capita coincide with the automobile  
Randal O'Toole, CATO Institute- Gridlock Presentation - 2009



## Subsidies in Cents per Passenger Mile



From Randal O'Toole Citizens Guide to Transportation Reauthorization, Figure 7, page 7 –Dec. 2009



TRANSPORTATION ENERGY DATA BOOK: EDITION 26-2007, U.S. Department of Energy  
 Table 2.13 Energy Intensities of Highway Passenger Modes, 1970-2005  
 Light trucks not shown.

# Summary of Travel Market Data: 2006 Person Trips by Mode

Metro Area Pair	Auto	Air	Bus	Acela	Regional	Total
Boston - New York	13,563,377	2,499,698	1,223,674	465,902	374,405	18,127,056
Boston - Philadelphia	2,382,853	541,760	98,224	14,329	42,610	3,079,776
Boston - Washington	1,632,061	2,102,639	64,256	18,914	37,969	3,855,839
New York - Philadelphia	31,715,504	45,644	1,451,467	301,768	976,337	34,490,720
New York - Baltimore	7,664,755	206,834	958,002	154,393	386,516	9,370,500
New York - Washington	13,844,102	1,427,551	756,048	510,833	1,095,630	17,634,164
Philadelphia - Baltimore	9,186,058	89,361	217,967	21,876	119,276	9,634,539
Philadelphia - Washington	8,355,977	45,884	137,539	194,101	475,046	9,208,546

# Spending on Travel

	Auto Travel	Public Transit
Roadway/Guideway Capital	Public Taxes or Fees	Public
Vehicle	Private	Public
Vehicle Parking/Garage	Private	Public
Roadway/Guideway Operations	Public	Public
Policing	Public	Public
Vehicle Operator	Private	Public/ Private
Vehicle Maintenance	Private	Public
Vehicle Insurance	Private	Public
Fuel/ Energy	Private	Public
Unpaid Social Costs	Public	Public

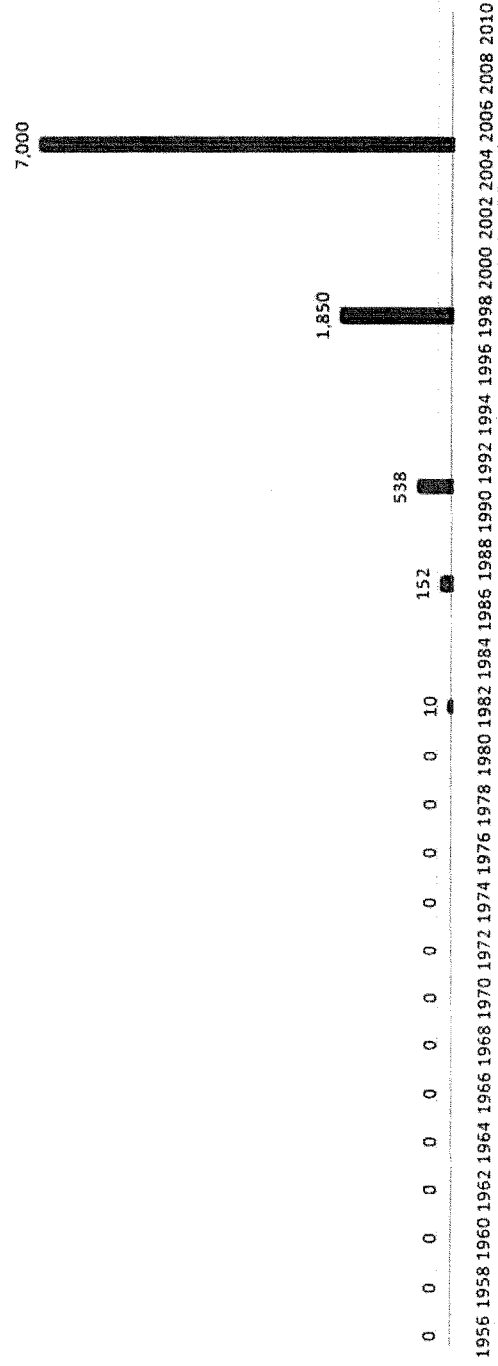
30

Source: Steve Polzin, PHD, Transit Research Program Director, National Center for Transit Research, Center for Urban Transportation Research-USE, 2007 Presentation, *Observations on Transportation*

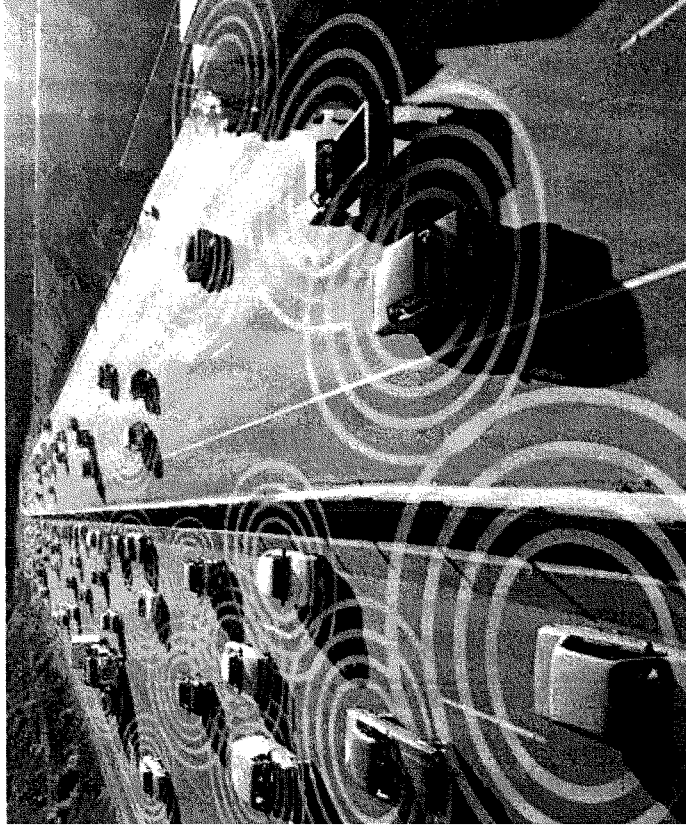
## Thus:

- On average, national data indicate direct costs per person mile are three or more times higher for public transit. Marginal costs for peak period trips can be more similar or favor transit in rare circumstances.
- Public transit dramatically shifts travel spending from individuals to government – going from a few cents per passenger mile spent by government for roads to as much as a few dollars per passenger mile for rail transit.

### Earmarks in Highway Trust Fund



## Intelligent Traffic Management



Allows more Throughput of Cars on existing roads

Mr. MICA. And we'll reiterate for anyone who arrived late that Mr. Rahall has asked that we pass a resolution in the Committee to leave the record open for two weeks, for a period of two weeks, so if you have suggestions or comments, we are only able to accommodate a limited number of witnesses at a formal hearing. But we can add your testimony or commentary to the record. You can do so through submitting that to myself, Ms. Brown who represents this area or to the Committee and it will be made part of the record.

With that we'll begin a round of questioning. And I'll yield first to the ranking member, Mr. Rahall, the gentleman from West Virginia. You're recognized.

Mr. RAHALL. Thank you, Mr. Chairman. I thank all of our witnesses for very interesting testimony. As you heard me say at the beginning, what may work here in Central Florida doesn't necessarily work in rural parts of our Nation. That would apply to quite a bit of the testimony I heard this morning.

But nonetheless, let me say that I do believe that a transportation policy should be national in scope and be able to connect all of our 50 states together just as with the original division of our interstate system. Certainly we in West Virginia, and I know my dear friend Corrine has already alluded to this, we do get more than we pay back on a per dollar basis into the Highway Trust Fund because of our unique circumstances. As I said in my opening comments, we have rugged terrain. It costs much more to build a mile of road in West Virginia than it would here in Florida, 24 to 25 times more.

In addition, our state legislature in the past has stepped up to the plate, raised our state gas tax in order to leverage more Federal dollars. And certainly I would think it would be in Florida's best interest to attract tourists from Michigan, if you want them to come down to Disney World, they should not have to travel over Mickey Mouse roads to get here. So it's important that we have good roads in West Virginia to bring tourists here to the state of Florida.

Let me ask you in particular, Mr. Burleson, you advocated the vehicle miles traveled formula as opposed to any gas tax increase. At the same time you were advocating doing away with transit funding out of the Highway Trust Fund, I assume transferring it over to general revenues, which I don't know where we'd get the money there to pay for transit. Plus the fact that the DOT would seem to push people more into transit because of the added cost of having to pay that type of fuel tax.

Would you respond to that, plus a second part of it is: If you're against raising the gas tax, does the VMT have the potential to be even more burdensome versus a small increase in the gas tax to the consumer, to the driving public?

Mr. BURLESON. Thank you, Mr. Rahall. I was not—first off, I'm not opposed to raising the gas tax, but I recognize the political climate we're in. My concept of VMT would be that you would abolish the gas tax and replace it with VMT tax. So depending upon what rate it was at, it could be no more than the funding that's there now. But it does allow for all of the alternative fuel vehicles to also pay their share.



Mr. RAHALL. Where do we get transit funding?

Mr. BURLESON. Again, yeah, that's—I'm glad I'm not in your shoes, but I think that that is a—much more of an issue for the general fund at the Federal level and it's much more in my mind a local funding issue than it is a Federal funding issue.

Mr. RAHALL. Would any others wish to comment on any part of what I just said?

Mr. YAREMA. The National Surface Transportation Financing Commission did look at the long-term feasibility of the gas tax and concluded, as Mr. Burleson has suggested, that it's fatally flawed. So we recommended that we transition to replace the gas tax with a vehicle miles traveled fee or what I prefer to call the road user charge. One of the benefits of the road user charge is that it could be revenue neutral, as compared to the gas tax, and still achieve certain significant efficiencies because currently most users of the highway system don't have any clue how much gas tax they pay. They also have no clue that the gas tax is one of the few taxes that actually goes down every year because it's not indexed to inflation and it hasn't been increased since 1993.

So the VMT or road user charge will offer the opportunity to show users what they're actually paying. The Federal Highway Administration and AASHTO have done an analysis that shows that, if users knew what they were actually paying to use the roads, it will affect their driving behavior. As a result, we'd be able to get about 30 percent more use out of our existing infrastructure than we're currently getting now just by that feedback mechanism that's created. So we will be able to do more with less even if it remains revenue neutral.

Mr. WHITFIELD. As Mr. Burleson said, I think you would want to replace the gas tax with a VMT-type fee so that you do catch those vehicles who aren't paying their fair share. As for transit funding, I don't have an answer for that, but you've got to have a multi-modal transportation system. I come from an area where a third of the population is over 60 and in two weeks I'll be one of those. So as our transit operator once told the traffic engineer, some day you'll need me, so we do need to provide a transit system for those people who cannot drive any longer or should not be driving.

Mr. RAHALL. Thank you.

Mr. Chairman, I would yield the balance of my time to Representative Brown.

Mr. MICA. Ms. Brown, you're recognized.

Ms. BROWN. Thank you.

First of all, Mr. Chairman, I want to thank all of the witnesses and I would hope that in the future that we have more comprehensive of additional segments of the transportation issues to address us. At the idea that, you know, 50 years ago Eisenhower came up with the highway system and it was wonderful. It worked. I mean, it hooked our country up.

But now we're into another phase and we need additional—not that we don't need the comprehensive highway system, someone here said, well, we need to change the formula. Let me explain something to you about changing the formula. Regardless of how many members you have in the House, you've got a hundred sen-

ators and not one of them want a change in the formula. It was a major issue for Florida to change that formula in 1992 working with Texas and California and you're not going to get any changes because you don't have any additional revenue to put in the funding.

I guess I want to ask as many questions that I want to ask, but I guess I'll go to the rail. We need a comprehensive rail. I understand we can't have high-speed unless we have a dedicated source of tracks. But you mentioned the rail from Jacksonville to Miami. I am very supportive of that kind of rail, but regardless you've got to upgrade the tracks. We're working on a loan program that work with that particular industry. It's comprehensive. We need SunRail. We need a comprehensive transportation system. It is not just building another road. And, in fact, if we look at another road, basically it's not the cost that tear it up. It's the trucks and we don't charge them what you have to charge them to run over the roads.

So no form of transportation pays for itself whether it's aviation, roads and, you know, there's not really a real strong support in this room for a transit, but it was a part of it. So I guess I don't have a lot of time until my time comes, but I can just ask you Mr. Bruno, tell me about the SunRail and how the communities have worked together to come up with another form of getting people out of one car on that road and putting in maybe 30 or 40,000 people a day traveling that route.

Mr. BRUNO. Thank you, Representative Brown, for asking that question. I think it's very important for us to have SunRail in Volusia County and in your opening remarks you have indicated that some 40,000 people travels Volusia County, Seminole and Orange County every day for employment. So it is very important. I also sit on the Transportation Disadvantaged Local Coordinating Board so I know the needs of our community.

We have—our senior population just gets more senior every day and we are not able to travel. Tourism is very important to Volusia County. You know, we have to start somewhere. SunRail is a good start. We envisioned having Amtrak hopefully coming down the east coast with a stop in the Daytona Beach area. SunRail from Daytona Beach hopefully to Orlando and then on to Tampa Bay in the future. And then for the Amtrak to continue down or high-speed to continue down—in the future down to the Miami Beach area.

You can't build any more lanes on I-4. It's very dangerous. Even coming over here today, we probably would have been here an hour and a half earlier if it was not for the traffic on I-4. So thank you for asking the question.

Ms. BROWN. Mr. Whitfield, you want to respond to that?

Mr. WHITFIELD. Yes. I agree that there's more than just sticking the train on the track, but I believe that we have commitments from most of the cities along that area to provide for these stations as their part of the deal. The extension would also require construction of a crossing between the CSX track and the FEC track in West Palm Beach which will allow for the Amtrak service to continue to the south, but would also allow for the local commuter

service to extend into the northern end of Palm Beach County and eventually to the counties further up.

In the northern part of Palm Beach County there is a large biotech area with Scripps and Max Planck and additional land set aside for about eight million square feet of related industries that would open up to more people—more jobs that would be available to a larger population. I might mention, too, that in South Florida we have ten- and twelve-laned sections of I-95 that still don't work.

Ms. BROWN. Let me just add with that, because I'm very supportive of the project that you're talking about, but it relies on the Federal, state, local working together, and private. And it relies on accountable partners and if one partner is not accountable—because this whole project, whether it goes forward or not, is dependent on whether or not the Federal come up with the, I guess, seed money or whatever you want to say, to get the project going. So it takes a partnership and it takes not just the Federal Government putting up the money and then we don't have no working relationship with the state and local, it takes all of that to make those projects work.

Mr. WHITFIELD. Yes, it does. I believe you had over 160 resolutions and letters of support from all of the Metropolitan Planning Organizations, from all the cities, from all the counties that are involved. You've had strong commitment in the working relationship with those areas as far as the beginning of the planning phase of it, identifying property and making commitments for the stations themselves, working strongly with Amtrak—

Ms. BROWN. Sir, let me just say, also I've been working with the Federal Government with this project. It is a project that I think have a lot of possibilities. But once again, it still takes that partnership. What if the state decides, well, I don't want to be a partner in this, so then what happens? What happens—you talk about how many resolutions. Do you know what is a resolution? We got all kinds of resolutions and the legislature will pass bills, what does that mean? As we go forward, we've got to make sure that it means something when a state commit money, when the locals commit money and the Federals commit money. And privates, their concern particularly with Florida, that you make commitments. What does that mean when you can just change your mind because you have an election? That is a problem when you're talking about Federal taxpayer's dollars.

I yield back my—

Mr. MICA. Did you want to direct that question to—

Ms. BROWN. I don't know who can answer it. Who can answer it?

Mr. MICA. Did you want to comment—

Mr. WHITFIELD. I can't really speak for the state of Florida.

Ms. BROWN. No, you can't.

Mr. WHITFIELD. In the local area, I know that there are particular funds under the formulas, Federal funds allocated to the local areas for a decision. Many years ago Palm Beach County's MPO put on the record a commitment of \$25 million of those Federal funds that are allocated by formula to the Palm Beach MPO for an extension of train service to the northern end of Palm Beach County. And we anticipated that would be used as seed money to

match any Federal or state funds that come down for extension of those services and could become part of what would be needed for the Amtrak service.

Ms. BROWN. Sir, from the state, if you can answer one question: What is the status of that study and when can we get a copy of it or do we have to subpoena it? We paid for it.

Mr. PRASAD. Congresswoman Brown, the study was released last week and I'll get you a copy of it this morning.

Ms. BROWN. Do you have both studies that was done?

Mr. PRASAD. We have actually the charge. The studies are not final until the end of the month because they're going through a peer review, but the charge, both the studies on the ridership and revenues are available. Those were released last Tuesday and I will get you a copy of it this morning.

Ms. BROWN. Thank you very much.

Mr. MICA. Recognize that young lady from Hawaii, Ms. Hirono.

Ms. HIRONO. Thank you, Mr. Chairman. One of the issues that this Committee has spent time on is really how we are going to pay for all of the different trust funds and this includes the Airport Trust Fund, the Highway Trust Fund, the Harbor Trust Fund and this whole idea of can we encourage more intermodal discussion, decision-making. I think one of the people testifying talked about how our system should really compliment each other, the different modes of transportation. And I think it was Mr. Lawless who particularly mentioned that.

So would you suggest in our—in the Surface Transportation Bill that we encourage our systematize or institutionalize the need for these different modes of transportation entities to have to coordinate or talk to each other because that's what you-all are having to do at the local and state levels now. Any thoughts, any comments, any of you?

Mr. WHITFIELD. I totally agree with you. One of the important things that we try to do in the area is to set everyone down in the same room to share our plans. We recently did a regional multimodal transportation plan that involved the transit operators for each of the three counties, the Commuter Rail Authority, the ports, the airports, the MPOs, all the people who are involved in providing the transportation services. Each of our long-range plans contain intermodal hubs that will provide for the ability to transfer from one mode to the other.

It's very important to make that as easy as possible for the public because they don't want to transfer and change seats a lot of times and if they do have to change seats, it needs to be rapidly. So transportation hubs that provide for these intermodal shifts are very, very important to the process.

Ms. HIRONO. Anyone else?

So you would agree that we should try and put in some language into our transportation bill that would—we may actually have to force these different institutions to talk to each other, the aviation, the——

Mr. WHITFIELD. I'm not sure I want to say force, but maybe strongly encourage.

Ms. HIRONO. Strongly encourage.

Mr. WHITFIELD. You need to keep in mind that it's transportation mobility, moving people and goods, however it takes place in whatever mode.

Ms. HIRONO. Agreed.

I was curious, Mr. Lawless, about your experience with the Japanese high-speed train system. And you really made a good case for how important it is to have these trains run on their own tracks. Now Europe also has high-speed rail, do they have dedicated tracks in Europe, too?

Mr. LAWLESS. They do and they also have shared track. So depending on the situation, they do run increasingly on their more dedicated newer lines fully-dedicated high-speed rail. When we say shared track there, we mean something a little bit different. It could be a similar-type vehicle only running at a lower speed, perhaps servicing other communities along the way.

But if I may offer something to your previous question, because I think it was a very good question. In the last year or so working with the FDOT people on the previous project here in Tampa/Orlando, we were very, very encouraged by the attitude they took and the degree of planning that had gone into conceptualizing what multimodal connections would look like along that entire Tampa/Orlando high-speed rail route. Recognizing that even where there were not stations now and even where there weren't interconnections yet, the advent of the construction and the operation or maybe just the beginning of the construction and operation, would essentially create transit-oriented development centers which in and of themselves are very valuable to the community and would then draw the local planners, regional, metropolitan planners to adjust their local transit and multimodal systems be they bus, be they streetcar, be whatever they are to accommodate that new high-speed rail station and around that high-speed rail station create a real estate development opportunity and a tax revenue opportunity that otherwise never would have existed there.

So there's a lot to this and I think as you look at how the laws might be changed ever so slightly, there may be ways to incentivize people to build things simply because building a given rail line, high-speed rail line, SunRail, whatever, is going to create an opportunity for a transit-oriented development city center key to that. That has been the experience in Japan. It's been the experience in Europe and it works.

Ms. HIRONO. Thank you. I agree.

I yield back.

Mr. MICA. Thank you, young lady. I'll yield now to the gentleman from Texas, Mr. Farenthold.

Mr. FARENTHOLD. Thank you very much, Mr. Chairman.

Mr. Prasad, in Texas and we heard a little bit about it earlier, we're experimenting with totally additional capacity. Have you-all started doing that in Florida or is that something you-all are looking at, any successes or failures you can report?

Mr. PRASAD. We have done I-95 express in Miami-Dade County, the first project to an urban partnership agreement where we added an additional lane of capacity to managed lanes, and it's been great success. The general purpose lanes, the average traffic speed has gone from 20 miles an hour to 40 miles an hour and

we're maintaining average speed through the express lanes at 50 miles an hour.

So again as I've mentioned in my testimony, express lanes and tolling new capacity on interstates will greatly enhance general purpose lanes, as is shown in Miami. The general purpose lanes are moving much faster than they've ever been because of our investments on the I-95 express lanes.

Mr. FARENTHOLD. And, Mr. Burleson, you were talking about the vehicle miles traveled tax. One of the concerns that I consistently hear about is the idea that big brother is watching you. Do you conceive of a system where we can eliminate the concerns that big brother is watching and knows where you are at all times through GPS's in your car.

Mr. BURLESON. Yes, sir, I do. I mean, I think that the full advantage of VMT ties itself into a GPS system where you can charge people different rates for driving at different times of the day or night. But I think you could have—

[Brief interruption.]

Mr. FARENTHOLD. I don't know if that's me or you.

Mr. BURLESON. I don't know. Sorry.

You can have something as simple as a reader that would simply read your mileage when you pulled into the gas station or the plug-in or whatever you have, the number of miles you've driven since the last time you filled up, 325 miles, let's say, and you're charged a penny a mile or something like that.

Mr. FARENTHOLD. All right. And, Mr. Lawless, you were relatively proud of Public-Private Partnership of the rail in Japan. There are several routes that are—I guess would be considered the plum routes for high-speed rail within the U.S., the northeast corridor in Texas we've got the Austin/San Antonio/Houston triangle. Here in Florida you've got one coming into here.

What level—at what point is that something that could be done entirely by the private sector or how much is the government going to have to kick in? Could we just work on the right-of-way condemnation program with you? Or how much of the money are we going to have to throw in? My understanding of most rail services is it's able to cover the operating costs pretty regularly, but there's no reasonable way to recover the initial capital investment.

Mr. LAWLESS. It's an excellent question. I think it is totally corridor specific. That's why I mentioned there's a recent study by America 2050. I don't know if you're familiar with it. It treats Texas very aggressively and positively obviously, what will our country look like in 2050 and it looks at city pair or coupled city pairs. And I think by taking a look at those critical city pairs, and you have three of them in Texas, you can see pretty much where it's going to be a reasonable proposition as long you have a minimum regulatory interference to build on a private basis or a very tight public-private basis. And by that I mean, that the state basically perhaps provides the right-of-way, perhaps on a lease basis, but otherwise gets out of the way of the private sector.

Mr. FARENTHOLD. Is it entirely—basically entirely private?

Mr. LAWLESS. Essentially private, but the right-of-way issue is very important and having that right-of-way to build a system, even if it is only 40-feet wide, is very important.

Mr. FARENTHOLD. We love our private property rights in Texas. Witness the Trans-Texas corridor.

All right. I'll yield back the remainder of my time. Thank you very much.

Mr. MICA. Thank you.

And I'll yield myself such time as I may consume here. I'm just making a note of some of the transportation initiatives for either high-speed or commuter rail in Central Florida. I wrote down, I know in 1983 when I was chief of staff for Senator Hawkins, she received the first \$500,000 study. In 1989 there was—actually there was a state commission on rail, then there's proposed demo project in '92, then we had Lynx take over some of the projects. We had a light rail proposal back in '98. That spent about \$100 million. We have about \$100 million into the current commuter rail proposal. All total I'd say the community's spent about a quarter of a billion dollars and so far all we have is a bunch of studies to show for it, which is pretty frustrating because you can't even get to the point of going forward with the project without having the preliminary engineering and study to get the cost.

Maybe Mr. Bruno and our Assistant Secretary could tell us how—now this is only one example, Ms. Hirono—I know I was out in Hawaii 15 years ago with her predecessor, a wonderful lady who's left us, but looked at the Honolulu light rail. Now that's coming back finally, but they spent probably \$100 million in just studying it. Either of you local official or state official, can you—is there anything we can do, we've been through three governors on some of these projects and huge amounts of money spent and not much progress. Mr. Bruno?

Mr. BRUNO. Thank you, Mr. Chairman, for that question. I think that we have done everything we could possibly do. We have a great working relationship. It's a great partnership with the Federal Government putting in 50 percent of the funds. The state putting in 25 percent—

Mr. MICA. Though the good stuff is nice, Mr. Bruno, but tell us about maybe the time, you know, these things going fast, you know, high speed forward or low gear or what.

Mr. BRUNO. I'm anticipating that we're still staying on track for the opening in 2013 of SunRail—

Mr. MICA. Well, my point though is: How long has this one been going on.

Mr. BRUNO. For too many years, way too many years.

Mr. MICA. Any idea of speeding up the process.

Mr. BRUNO. I don't know how we can speed up the progress anymore than we have. We've got all of our cities on board. We've got the train stations designed and ready to go. We've—

Mr. MICA. What you're saying is you've done your part. Maybe you can tell us Mr. Prasad—

Mr. PRASAD. Well, as you know—

Mr. MICA [continuing]. The nice smooth Federal process.

Mr. PRASAD. The discussion in the high-speed rail or SunRail is what is the return on investment. There's a lot of discussion about transit-oriented development. We have a case that—

Mr. MICA. Well, you're still not answering my question. My question is: The process, this goes on and on and on and we're spending

a lot of money. Is it a smooth process that goes forward in a rapid order or can it be—can something be done to change that.

Mr. PRASAD. I'm not so sure. These are complex projects and we're focused on rail. But if you look at tunnel projects or major infrastructure projects, it takes a lot of years and a lot of partners and a lot of funding sources to make it happen.

Mr. MICA. Well, those aren't the answers that I was trying to get. There's really—some of the process just goes on and on and approvals take so long and situations change. But what I'm looking for is changes in the Federal process so that this is—we aren't wasting taxpayer's money. We aren't spending career after career of people's lives pursuing these projects and getting nowhere.

Maybe, Mr. Lawless, well, you did describe the Japanese projects and I guess they privatized, was that in '87?

Mr. LAWLESS. Yes, that's correct.

Mr. MICA. And since then you said that last year that—since the private takeover they've actually made money.

Mr. LAWLESS. They've made money. Every year they pay down their debts and they've made money to the degree that they've now committed to build, on their own from their own resources, a \$60 billion complimentary system running on the same line.

Mr. MICA. And I know you didn't want to be critical of the Obama administration, but you said that they're headed in the wrong direction and that they were—I guess 76 of the 78 awards went to Amtrak projects on freight rail lines, which—which would not necessarily separate that traffic or that kind of service; is that correct?

Mr. LAWLESS. Yes, that's correct.

Mr. MICA. OK. Ms. Stone, you talked about—a little bit about the problems with the disadvantaged. And one of the things we've heard before is there's a disconnect or problems between different types of transit services for the disadvantaged. There's some Medicare, I guess, Medicaid, maybe veterans' programs, there's other public transportation. And it seems we're going around in circles and sometimes spending too much money.

We had Cathy Brown who heads the Counseling on Aging, what did she say, they had to drive 130 miles or something to get service. There's a disconnect in providing some of these services. Could you elaborate?

Ms. STONE. Yes, there certainly are still some major gaps in the coordinated system. But as I mentioned in my testimony, here in the state of Florida for over 30 years we have had a coordinated system that is working. It is—we have very good data to stand on. Our current issue is with the issue of health care. I think that's everybody's interest anymore and transportation for those folks that need to go to physician appointments and treatments, et cetera. And within the SAFETEA-LU it does require the government—or at least encourages government agencies to be purchasing transportation from a coordinated system so that you can have a shared ride, keep the costs down. We're looking at, here in the state of Florida, the potential that the Medicaid patients will be put into—or are encouraged to go into private HMOs. And then those HMOs would have the ability to pull those patients from the coordinated system and do their own transportation or broker it



out thereby fracturing the coordinated system that we have had in place for so long.

What you're looking at is people that are used to calling one number to set up their transportation. If they're going to a Medicaid compensable medical event, they're going to have to call another number. They're going to go in maybe a different vehicle. Then to go to the pharmacy to get a prescription filled, they have to call another number and go to another company. We're very, very concerned about that in the state of Florida. And in doing some of research for this, it's gone from over 100 something fragmented services in the United States down to maybe 80 that are bumping into each other.

Again, I want to offer to the Federal Government our program here in Florida. It is award-winning. It's a model and since the beginning of SAFETEA-LU, other states have looked to us to help them set up their coordinated system. We need help from Federal and state level to keep that coordinated system intact and to do whatever is necessary, listen to us, listen to the people who ride the system, listen to the people who have been funding the system, to the providers, to help us keep it together so that we're not wasting money and wasting time. It's a shame that it could take someone as long as two hours to get to a doctor's appointment or get back. It shouldn't be that way.

Mr. MICA. Thank you.

Mr. Yarema, one of the keys to going forward is finding a good way to finance transportation. And you said, of course historically there are fewer grants and more loans. Some of you-all talked about leveraging to maybe three times whatever the figure was. I think South Carolina has for every public dollar they leverage, it's seven.

Can you think of any ways or recommend to the Committee how we could improve leveraging or financing specifically? I know you talked about changing some of the source and basis, but as a matter of leveraging, any ideas?

Mr. YAREMA. Well, if you take an existing revenue stream, whether it's a toll revenue stream or a tax revenue stream, if you're interested in getting as much up front monies advanced for construction out of that given stream, private financing is preferable to municipal financing. So if we're trying to jump start the economy and to create more jobs now, private financing is going to be more effective in doing that. That was proven with the two projects here in Florida—the I-95 managed lanes project and the Port of Miami tunnel project—and with the Texas and Virginia experience.

So, by maximizing the use of TIFIA, in the form of subordinated debt, you are helping to attract non-Federal capital above it and below it, giving the public the best leverage for each Federal dollar spent on transportation capital improvements.

Mr. MICA. So we're very supportive, almost across the board, for the consolidation of programs. I was surprised to learn the \$2,000 limit Mr. Prasad said on Davis-Bacon or that threshold, and it's not so much the terms, but the paperwork, is that what you said?

Mr. PRASAD. Yes, Chairman.

Mr. MICA. So we could look at some sort of an exception there.

And Mr. Whitfield brought up something the Committee hasn't paid much attention to and I'm not sure how we do that. Support research and technology, sometimes it changes with transportation initiatives that we develop from that research, can move traffic faster and better. Any idea in how that should be structured, Mr. Whitfield?

Mr. WHITFIELD. Currently there are some Federal programs that do research into these types of things. It all comes under, I think, intelligent transportation services and that's where we get the signalization coordination, the dynamic message signs on the interstate that tells you when there's an accident ahead, all different types of things.

Mr. MICA. Well, my question really deals more with how do you do that if we're consolidating programs and probably won't earmark programs like we have in the past. Any incentives, anything that could be held out there to—any innovative ways to get this accomplished and get people interested in intelligent transportation systems or reforms?

Mr. WHITFIELD. I think in some case it's going to be the public is going to demand it because we can't widen the roads anymore, so we've got to use it more smartly. So then we start looking at some type of competition as to how would you go about using this roadway more efficiently or what technologies are out there that could do a better job of providing these types of coordination or technology solutions so that we can implement those and move more traffic on what we have today.

Mr. MICA. Mr. Burleson mentioned some stability. We gave you that through September, which is a minor miracle plucking that out last week. But there's some people that say, well, let's just do a short-term bill for a couple of years and maybe the finances will get better and we can go back and take a bite at it. My inclination is a six-year long-term bill and try to put as many innovations and financing, getting more and using less.

What's your recommendation on behalf of the Transportation Builders?

Mr. BURLESON. Mr. Chairman, I agree with you completely. We need a six-year bill.

Mr. MICA. He goes to the head of the class.

All right. Well, it is hard to plan when you have sporadic policy and funding formulas. I think I've covered most of the questions that I had left here. The tolling issue is a touchy one. I banned tolls on the interstate through this part of Central Florida, which is in the current legislation only—and I would be a strong opponent to tolling any existing capacity. I think, Mr. Burleson, you recommended the same thing, existing capacity. Mr. Whitfield, you strayed from the path, but we'll forgive you.

The problem I have in Central Florida, we have about—from where you're sitting right now we have about 150 miles of toll roads that were developed locally, not to mention the State Turnpike, which was another 150 miles of toll road all financed—when people—if they got on the interstate here and we only have Interstate 4 going through here, we have no bypasses. The only bypasses are toll roads that have been built by the community. Peo-

ple pay twice, once at the pump and once at the toll booth. So that's been my concern.

And then nationally, I don't believe you have an interstate system if you have a toll road every few miles. So the question on the balance of the footprint is a subject for discussion. Any recommendations, Mr. Whitfield?

Mr. WHITFIELD. I don't stray entirely from that. We do call for the extension of the managed lanes that DOT has in the south up into Palm Beach County that would be toll lanes at that time.

Mr. MICA. Well, that was a marginal project because we use some of the inside safety lane and an HOV lane, but that one got away.

But your commentary was interesting because even with 12 lanes of traffic, those dedicated lanes have—and I guess they got at least one more lane out of that having improved traffic flow down there. But if anyone wants a glimpse of what you don't want to have, just go down to South Florida. I was there last weekend. Or out in Los Angeles where we did the hearing. I think I counted like 18 lanes and I couldn't count them because I didn't want be distracted at all, but I think I got to 18 and stopped.

And then the development along those interstates, whether, again, you come to Miami or Los Angeles is not very desirable what happens when you get that much concrete or asphalt laid out.

Any other members have questions?

Ms. BROWN. Yes.

Mr. MICA. Mr. Rahall.

Mr. RAHALL. Thank you, Mr. Chairman. My question is in regard to NEPA Reform and the fact that we have five pilot projects underway currently. Or rather five pilot programs that allow five states to assume sovereignty, if you will, or responsibility over their NEPA obligations. Only one has participated, that being the state of California. And what we've heard from the other four, that their basic problem is that states are not willing to waive sovereign immunity.

So my question would be: Would Florida be willing to assume this responsibility and waive your sovereign immunity?

Mr. PRASAD. We'll have to get back to you on that one.

Mr. RAHALL. OK. But you understand the pilot programs that are in effect?

Mr. PRASAD. Yes.

And, if I may, the testimony I mentioned about the way to streamline some of the processes is to look at it on a state-by-state basis and see if the states have the sophistication and have laws in place and processes in place that far exceed what the Federal Government requires, then why create both sets of rules. I'm not saying—I think the pilot project can be expanded to where on a state-by-state basis the FHWA or the DOT secretary can certify the state—that the state has processes that far exceed the Federal standards so we don't have duplicate business in the process.

Mr. RAHALL. Right. I understand that call for reform and certainly it's legitimate. I think the concern is that in planning documents there may not be sufficient quality and they would not develop with public participation. I think that's an important point to not have those planning documents submitted where there was not

public participation involved in it. So that's certainly a concern that a lot of members of our committee have in that regard.

Mr. YAREMA, you mentioned the PPP's method of developing projects. And again, coming from a rural area, my concern there is that the private sector would cherry pick the revenues—the projects that have a revenue stream obviously, whereas in rural areas we may not have projects with sufficient revenue stream to attract a private sector for the PPP.

Mr. YAREMA. That's right.

Mr. RAHALL. So what's our problem? I mean, what's our—

Mr. YAREMA. You know, in reality, rural districts should be the biggest champions for these kinds of programs because, if the urban areas are using less and less Federal funds because their projects are more self-sustaining, that means the limited Federal funds can be spread to the rural areas more aggressively.

Mr. RAHALL. If we find those Federal funds.

Mr. YAREMA. Whatever Federal funds there are. The idea is that, if an urban project can support itself or can do it with very little Federal support, that should be a desirable result for rural interests. State legislatures with significant rural constituencies are analyzing that concept, and the more and more they see it, the more and more they appreciate it.

Mr. MICA. Ms. Brown.

Ms. BROWN. Thank you, Mr. Chairman.

Let me just say, once again, this is an example why we need a broader participation because I and the Committee, we've had lots of discussion about super projects and how we streamline them and how can we cut down on the time. But it's very important that we have kind of a one-stop committee process and have all of the other players in the room that can make a decision. But, for example, we were here today, we were talking about the Davis-Bacon Act. I mean, we can't just change Davis-Bacon with nobody being here from Labor. So everybody got to be in the room when you're discussing major changes in any programs just for the information of everybody in the room.

Mr. Burleson, I have a question for you because we had a lot of discussion and I voted for a stimulus bill that we—you know, nobody was really in favor of it, but we monitored the transportation dollars, every dime. We saw what projects, what roles and the status of it, and I want to know how your people benefited from those stimulus dollars in Florida.

Mr. BURLESON. It was great for us. I only wish there was more.

Ms. BROWN. I understand it was great for you, but how many jobs—do you know—I mean, one of the things that happened here in Florida is that none of the projects—no one knew, you know, it was just like it came from anywhere, the mayor, it came from us, it came from the Federal Government trying to make sure that we help trying to pull the economy around, but no one knew it because it had no indication that they were Federal dollars. So could you tell me how many jobs we generated.

Mr. BURLESON. I can't give you a specific number, but I can tell you that not only did it generate jobs, I think what it did more than that is it prevented an awful lot of people in our industry from being laid off, which I think is the same.

Ms. BROWN. Oh, I think so. I think so.

OK. Mr. Lawless, I'm very—I traveled all over the world with the high-speed rail and, of course, I like the dedicated sources. We have the number one freight in the world and we want to keep it that way. But in some areas we can coexist and have more speed or better speed if we fix some of the tones.

But this project, the high-speed project in Florida was the project that was ready to go. It started with Bob Graham some years ago, Lawton Childs, all of the environmental studies was done, we had many, many private partners, maybe you was one of them that wanted to participate, but the key is that we knew that it would be the first real high-speed in Florida and then we want it to go on to Miami, which we knew was a money maker.

Can you tell me anything about—you know, there's been discussions and I think some people just kind of stuck-on stupid when it comes to giving misinformation. Can you tell me whether or not—what you think about the project? Because it didn't just happen, it took a lot of work, the people up here over a period of years to get it to happen. There was no other project in the entire country that had a 90 percent funding and it wasn't money from a foreign source, it was our tax dollars coming back to Florida.

Mr. MICA. Mr. Lawless.

Mr. LAWLESS. Yes, a couple of comments.

Absolutely this project was shuttle ready and the finest high-speed rail, true high-speed rail project in the United States and in fact it would have become the poster child for all high-speed rail in the United States. Every aspect of this—in the year that we've been associated with it as one of the eight competing teams, we've been exceptionally pleased with the quality of the interaction we've had with the FDOT people who are very well-prepared in this whole process, they've done their homework.

I think the big disappointment for all of the competitors—I can't speak for them, but I will—is that we assumed the process would be one where the feasibility study was released, people could then take on more of what was there and what wasn't there with the updated statistics. And based on that, we would be able to make much better decisions about the degree to which we were willing to share in the risk of the project. And then the next process would have been, as you know, soon following on the release of the request for information, which would have been, again, stimulated the eight teams to make their proposals.

The only negative side I would say, there is something I mentioned in my testimony, and, again, FDOT was there with us the whole time and worked very hard on this. We were very pleased with the dialogue we had with them. Was the lack of regulatory certainty. There were huge issues related to the standards that were going to be applied to this system, very unfortunately. And because of that regulatory uncertainty, many of us had real problems with what we would eventually build. But that said, we could have worked through that I think and reached a conclusion with FRA, with the support, again, a very well-organized FDOT. So we were disappointed that things did not progress.

Mr. MICA. Thank you gentlemen and the young lady.

What we'll do, we're going to have to complete the hearing at this time. The members do have a vote on the floor at 6:30 and we have one opportunity to catch a flight at 1:30.

Ms. BROWN. Mr. Mica? Excuse me.

Mr. MICA. Yes, Ms. Brown.

Ms. BROWN. You know, I represent the area with you and last night at the dinner discussion we were discussing Eatonville. And so Ms. N.Y. Nathiri is here and she has a little information—I'm not going to call it a gift—for each of the members so they would know something about our area.

Mr. MICA. Well, thank you so much. N.Y. Nathiri, we're so pleased to have her. She has just done an incredible job, actually put together the Zora Neale Hurston Festival over the years. You'll be pleased to know, Ms. Nathiri, too, I took all of the members to a quick little tour before the hearing to Eatonville and actually showed them the memorial and provided Ms. Hirono, and the other members will have available *Dust Tracks on the Road*, which is the autobiography of our favorite daughter of Eatonville. But thank you so much for coming and for your hospitality today and remembering the members.

Ms. NATHIRI. Absolutely.

Chairman Mica, we go back a very long way. And on behalf of the Association to Preserve the Eatonville Community, I just want to acknowledge that back in 1989 you led the effort to actually make that so, so it's good to be in your district. And, of course, we're very proud that Congresswoman Corrine Brown represents us.

On behalf of Mayor Brown we have just a token, a book here on Zora Neale Hurston and we hope that you will come back in August of 2012 when Historic Eatonville celebrates its 125th anniversary as the oldest incorporated African American municipality in the United States.

Mr. MICA. Thank you again. Thank you for your wonderful leadership and making your great American well-known who hasn't been known and deserves that notoriety for her incredible cultural and literary contributions.

Also, I want to thank our witnesses for being with us and appreciate your testimony. We will leave the record open, as you heard. I thank the members for traveling long distances and what we'll do, too, is we don't want to ignore anyone, but we've got to request the members if they could please—we'll have a few minutes for just comments to the press at the back of the room to the side. And with that, we'll end.

Ms. BROWN. Mr. Chairman——

Mr. MICA. We'll go forward to catch that 1:30 plane.

Ms. BROWN [continuing]. Just one question logistically, if someone didn't testify but they want to put information on the record, because I know Linda Stewart is here and she wanted to, on the environmental——

Mr. MICA. Anyone that would like to submit any information, Mr. Rahall has passed a resolution leaving the record open for a period of two weeks. They could submit their testimony or recommendations, commentary to Ms. Brown, myself or to the panel, and we'll make it part of the record.

We thank everyone for attending. There being no further business before the Committee of the House Representatives on Transportation and Infrastructure, this meeting is adjourned.

[Whereupon, at 11:40 a.m., the committee was adjourned.]

TESTIMONY

TO THE UNITED STATES HOUSE OF REPRESENTATIVES

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

IMPROVING AND REFORMING OUR NATION'S SURFACE  
TRANSPORTATION PROGRAMS: CENTRAL FLORIDA FIELD HEARING

BY COUNTY CHAIR FRANK BRUNO  
VOLUSIA COUNTY FLORIDA

9:30 AM  
MONDAY, MARCH 14, 2011

MAITLAND CIVIC CENTER  
641 SOUTH MAITLAND AVENUE  
MAITLAND, FL 32751



**Field Hearing before the House Committee on Transportation and Infrastructure**

**Written Testimony of Volusia County Chair Frank Bruno  
March 14, 2011**

Thank you Chairman Mica, Ranking Member Rahall, and members of this committee for the opportunity to provide testimony at this field hearing on "Improving and Reforming Our Nation's Surface Transportation Programs."

I represent Volusia County, Florida, which is framed by the Greater Daytona Beach area and 46 miles of beaches on the east and the St. Johns River and the outskirts of Orlando on the west. The County has a population of approximately 500,000 and encompasses 16 cities within a geographical area the size of Rhode Island.

The national recession that has hit hard across America has not spared Volusia County. It must be remembered that these national difficulties are all the more evident here at the local government level, where we have seen businesses large and small close. Tourism, a major part of Volusia's economy, has declined. Many of our residents lost their jobs or had work hours reduced. Property values have plummeted.

All of this means a deficiency in tax revenue at a time when those of us in government are experiencing an ever greater demand for our services.

Most succinctly, America and its local governments need a new course of action and a new way of coping with budget shortfalls while continuing to provide the services our citizens depend upon.

Through responsible spending, careful decision-making and community partnerships, Volusia County has continued to move forward with solving its infrastructure needs amid a backdrop of economic turmoil.

How have we accomplished this in the middle of the most difficult economic conditions our nation has experienced in more than 70 years? Similar to the goals of this Congress, it did not start with more spending.

Although we have been downsizing steadily for the last few years, in 2010, we really amplified these efforts. During a series of 30 budget workshops held at each Council meeting last year, we trimmed \$24 million in property taxes from the general fund budget and \$32 million from all property taxes for the fiscal year that began October 1st. We revisited every single budget item, and analyzed the performance of each County department. We worked hard to avoid County employee layoffs, because this would have only deepened the recession in our area and inflicted unnecessary pain on our communities. But, we have still managed to reduce our work force during the last three years by a total of 467 positions, mostly through attrition.

Innovative thinking and strategic partnerships have been the key to our success.

As relevant to this committee's jurisdiction, I will tell you how we have adapted this model of partnerships to solving regionally based transportation infrastructure needs.

You can see from the following examples how we have been able to move ahead on projects that otherwise would have been delayed many years because of a lack of funding. Allow me to briefly highlight five projects that best illustrate our strategy of success.

First, through a cost sharing venture with the City of Port Orange and the State Department of Transportation last August, we were able to four-lane South Williamson Boulevard from Spruce Creek south, completing the second phase of this project. This \$11.8 million road-widening project was good news to local drivers, as the volume of traffic along this stretch of Williamson has nearly doubled since 2000. As everyone here knows, increases in infrastructure needs do not always decrease in tough economic times.

Secondly, we have been working on a \$10.3 million extension of Dunn Avenue from Tomoka Farms Road to Williamson Boulevard over Interstate 95. This is another project we are advancing through cooperative partnerships. It is unique because of the federal, state, county, city and private participants who contributed funding to advance the construction by more than 10 years. The funding breakdown was 79% federal, 5% state and 16% local. This will be a major overpass connecting northern Daytona Beach to the developing areas west of I-95. We anticipate this extension will allow residential and business development, providing a much needed economic boost to the area.

Another funding partnership, this one in the City of Daytona Beach Shores, has resulted in the upgrade of the existing traffic signals at the major traffic intersection of Dunlawton Avenue and State Road A1A/South Atlantic Avenue. The upgrade included replacing the existing concrete pole and wire-supported traffic signals with more wind resistant and aesthetically pleasing mast arm-supported signals. This \$300,000 city-led project was funded by equal contributions from the city, county and Florida Department of Transportation.

A fourth example of forward looking partnerships is our decision to finance the Central Florida Commuter Rail system. The construction of stations and lines along this 61-mile planned route linking DeLand and downtown Orlando to Osceola County is a pure investment in our future. The completed project will take thousands of cars off the highways, create more than 13,000 new jobs statewide and provide cost effective transportation to our citizens by 2013.

This project is a partnership effort between Volusia, Seminole, Orange and Osceola counties, as well as the City of Orlando and the state and federal governments. Our partnerships are evident as demonstrated by seventy (70) Resolutions of Support offered by individuals, organizations, associations and various levels of government. Each is essential; but not one is sufficient, they are all equally important when it comes to building a regional coalition of support for a "Stronger Florida" through SunRail.

Lastly, Volusia County recognizes the importance of providing pedestrian and bicycle facilities as a means of expanding the transportation opportunities for residents who, either by choice or by circumstance, do not use an automobile. Volusia County supports the intent of Federal Transportation Authorization Legislation with respect to creating an integrated, intermodal transportation system which provides travelers with a choice of transportation modes while reducing the demand and maintenance of the highway and local road systems.

The Volusia ECHO program, a voter-approved tax designed to enhance environmental, cultural, historic and outdoor recreational activities has augmented the County's trail program to the tune of \$1 million annually. Construction has started on a 5.7 mile segment of the East Central Regional Rail Trail. This \$1.8 million project uses ECHO funds paired with a federal grant, and will help our trail system grow to an expected 27 miles by the end of this year.

What has become increasingly evident to me, and what I want to convey to you, is how our County government has continued to strengthen our relationships with locally-based community partners, non-profit agencies, and businesses. Make no mistake that while this economy has presented significant challenges, it has also provided the County and its cities with many opportunities to help each other and learn from each other as we work together to serve our citizens.

With regard to Federal matters and how they relate to localities such as Volusia, let me talk briefly about the *American Recovery and Reinvestment Act of 2009*, which we found extremely challenging to execute and implement at our level. Among the challenges we faced was the efficient delivery of projects. Since 2008, the Florida Association of County Engineers and Road Superintendents (FACERS) and the National Association of County Engineers (NACE) have worked towards streamlining the Federal Aid Program for projects by Local Public Agencies (LPA). These projects, for the most part, involve low dollar enhancement type projects such as pathways, intersection improvements and landscaping. Locals also have done larger road and bridge projects under this program, but the main issue for us involves having to meet the entire gamut of federal regulations – for projects that may cost as little as \$50,000. In such a delicate climate of recovery, such additional challenges can become very real problems for municipalities like us.

In April 2009, NACE developed and released the *Federal-Aid Process Streamlining Issue Paper* and adopted a policy to “develop and advocate legislative language changes to the next Transportation authorization bill to improve the efficiency of implementation of the federal-aid program by local government.” We believe that just as the Federal Government needs to push-down the execution of projects to the States and local agencies, there is a level of local projects that should be further delegated and exempted from State management to reduce redundant oversight and increase flexibility and efficiency.

I have included this Issue Paper and findings with my “Statement for the Record.”

Based on our experiences, Volusia County strongly believes the 112<sup>th</sup> Congress and the *House Transportation and Infrastructure Committee* specifically has an opportunity to create a more flexible framework for State and public agencies to accomplish needed transportation improvements.

Streamlining the project approval and fundraising process for transportation infrastructure projects will save costs and stretch the limited funding environment. We would like to see the Transportation Reauthorization Bill create legislative support and incentives for public private partnerships such as the ones we have experienced in Central Florida. I believe there also is opportunity to develop a more holistic approach to defining regional projects that will consolidate individual segments and allow maximum flexibility to apply project savings as they are created. Similarly, there are opportunities to create an exemption level for smaller projects that do not require Federal or even State oversight to streamline their implementation process and save on overall costs.

Many of these ideas have already been discussed at the local and State level, and I offer supporting documentation to be entered into the Record as part of my Statement.

Finally, I want to express my thanks to Chairman Mica for his interest and commitment to creating jobs and helping America build its transportation infrastructure. Your passion and leadership on these issues is just what America needs. We think that a recovery strategy based on innovative, regionally-based approaches and partnerships is just what America needs most. We believe that such an approach would be transformative to solving the problems of our nation in a timely and ultimately fiscally- efficient manner. We hope that this Congress can work towards developing such a plan this year. I look forward to working with you both and your respective committees and am available to assist in any way that is helpful.

ATTACHMENTS:

1. **Letter. Florida Association of County Engineers and Road Superintendents, Dated February 3, 2011; Chairman John Mica**
2. **Accelerating the Project Delivery Process: Eliminating Bureaucratic Red Tape And Making Every Dollar Count; Statement of John Davis Chief Engineer Jacksonville Transportation Authority, Jacksonville, FL For the American Public Works Association**

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February 3, 2011

The Honorable John L. Mica  
Unites States House of Representatives  
2187 Rayburn House Office Building  
Washington, D.C. 20515-09047

Dear Representative Mica,

First let me congratulate on your appointment to Chairman of the Transportation and Infrastructure Committee in the U.S. House of Representatives. Your previous experience and background will serve you and the people of this country well in this new assignment.

The execution and implementation of the **American Recovery and Reinvestment Act** of 2009 was very challenging. Amongst the challenges was the efficient delivery of projects. Since 2008 the Florida Association of County Engineers and Road Superintendents (FACERS) and the National Association of County Engineers (NACE) have been working towards the streamlining of the Federal Aid Program for projects by Local Public Agencies (LPA). In March, 2010 representatives from FACERS and NACE met with Administrator Mendez of the Federal Highway Administration to discuss our mutual interest to address strategies that will help shorten project delivery time and delivering highway and bridge projects with maximum efficiency. As Administrator Mendez stated in the attached letter, "with transportation resources constrained at all levels, we must all work to maximize the value of every taxpayer dollar we spend, and deliver the benefits of the projects to the public sooner."

In 2008 NACE President Sue Miller established a NACE Federal-Aid Improvement Task Force to study how improvements in the administration of federal-aid dollars by local agencies could be attained and to pursue improvements in the federal-aid highway program to allow more accessibility of federal-aid funding to local agencies. Associated with this would be an effort to "Restore the Partnership" among government agencies by the establishment of improved communications and collaboration with state departments of transportation and FHWA Division offices located in every state. In April, 2009 NACE released the attached *Federal-Aid Process Streamlining Issue Paper* and adopted a policy to "develop and advocate legislative language changes to the next Transportation authorization bill to improve the efficiency of implementation of the federal-aid program by local government." Suggested language changes/additions include:

- "Any federal aid highway pavement preservation or rehabilitation, bridge replacement or rehabilitation, landscaping, beautification, safety, sidewalk, bicycle and pedestrian projects in the existing right-of-way and not requiring any additional real estate acquisition and under \$1 million dollars in total value only have to comply with State and/or Local regulations only."
- "Within one year after the enactment of this legislation, each State Transportation Agency shall create an Office of Local Assistance to assist local transportation agencies with the development of federal-aid projects and shall publish a local government assistance manual for federal-aid projects."

The Honorable John L. Mica  
February 3, 2011  
Page 2 of 2

- "FHWA shall provide a Guidance Document to State DOT's within one year of enactment of this legislation outlining the Federal desire and intent to streamline the processing of Categorically Excluded projects as a means of expediting the delivery and minimizing the costs in implementing these projects which have been deemed to have insignificant impacts to the environment."
- "All federal permitting agencies shall have sixty days to determine if a permit will be required for a federal aid highway, bridge, safety, sidewalk, bicycle and pedestrian project that is designated as a categorical exclusion, is in the existing right-of-way and does not require any additional real estate acquisition. If it is determined by a federal agency that a permit is required, such federal agency shall have an additional sixty days to issue a permit."
- "Non-NHS projects and low-cost NHS projects.-Any State may request that the Secretary no longer review and approve plans, specifications, and estimates for any project (including any highway project on the National Highway System with an estimated construction cost of less than \$1,000,000 but excluding any other highway project on the National Highway System). After receiving any such notification, the Secretary shall undertake project review only as requested by the State." **(From ISTEA Section 1016: Program Efficiencies)**

Congress is currently considering the National Transportation Bill. The above legislative effort is of extreme importance to all local public agencies in order to deliver projects funded through the Local Public Agency Federal Aid Program. FACERS, in conjunction with NACE and other organizations like the American Public Works Association (APWA) and the National Association of Counties respectfully solicit your support to introduce language in the National Transportation Bill that would place into law the above recommendations.

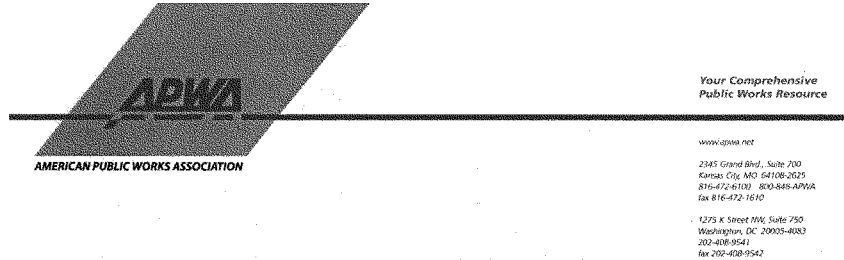
Thank you for your time and consideration. We strongly feel the above initiatives will allow us to reach this goal on implementing local projects using the Federal-aid program. We remain committed to working with you to achieve these mutual goals.

Sincerely,

Sincerely,

Hector M. Bertran, P.E.  
President  
Florida Association of County Engineers  
Orange County Public Works, Florida

Ramon D. Gavarrete, P.E.  
Southeast Region Vice President  
National Association of County Engineers  
County Engineer  
Highlands County, Florida



**Accelerating the Project Delivery Process:  
Eliminating Bureaucratic Red Tape  
And Making Every Dollar Count**

**Statement of**

**John Davis  
Chief Engineer  
Jacksonville Transportation Authority, Jacksonville, FL  
For the American Public Works Association**

**House Committee on Transportation and Infrastructure's  
Highways and Transit Subcommittee Hearing**

**February 15, 2011**

Chairman Duncan and members of the Subcommittee, thank you for the opportunity to submit this testimony for the Highways and Transit Subcommittee's hearing on accelerating project delivery.

I am John Davis, Chief Engineer, Jacksonville Transportation Authority, Jacksonville, Florida, and a member of the American Public Works Association's (APWA) Transportation Committee. APWA is an organization dedicated to providing public works infrastructure and services to millions of people in rural and urban communities, both small and large. Working in the public interest, APWA members plan, design, build, operate and maintain our vast transportation network, as well as other key infrastructure assets essential to our nation's economy and way of life. I submit this testimony on behalf of APWA's 29,000 members.

Local governments own approximately 75 percent of the nation's nearly four million mile roadway network and nearly 51 percent of the nation's bridges (nearly 300,000 bridges are under local control) and manage about 90 percent of the transit systems.

#### **RECOMMENDATIONS FOR STREAMLINING AND ACCELERATING THE FEDERAL TRANSPORTATION PROJECT DELIVERY PROCESS**

A review by the Federal Highway Administration (FHWA) of "The Administration of Federal-aid Projects by Local Public Agencies" in 2006 indicated that locally administered projects represent approximately 20 percent of the overall annual federal-aid program. Yet, a recent FHWA "Domestic Scan of Noteworthy Practices: Addressing Safety on Locally-Owned and Maintained Roads" revealed that *many local governments avoid federal funding for local projects due either to actual experience with or to perceptions of "federal bureaucratic red-tape" and added costs of federal requirements.*

Those local governments, who access federal funding for local projects, usually do experience increased project implementation schedules and extra costs. With transportation funding becoming more and more limited, it is imperative that aggressive steps be taken in the near-term future to eliminate as much "red tape" and streamline the project delivery process as much as practically possible, while retaining appropriate protection of our citizens and environment, to enable the most efficient use of tax dollars for transportation projects and the earliest delivery of those projects to our citizens for their use and benefit. Streamlining the project delivery process involves not only elimination of non-value added requirements, but also clarity in the requirements which remain.

Expediting project delivery is a top priority for APWA. As managers of infrastructure projects, we understand from experience how the current process unnecessarily delays projects and wastes taxpayer money. Our members know practical approaches and cost-effective solutions that can eliminate the overly burdensome process and get projects moving more quickly to put people to work, strengthen the economy and achieve project benefits in a timely manner.



Through the work of our Transportation Committee, our SAFETEA-LU Reauthorization Task Force, input received from our members and discussions with our partners, APWA has identified several key barriers to accelerated project delivery and solutions that will achieve cost savings results. We identify the following barriers and solutions:

• **Barrier to Accelerated Project Delivery:**

A project becomes “federalized” when any amount of federal funding is used for the project, regardless of the total amount of federal funding utilized. All federal requirements apply to the “federalized” project, regardless of the size of the project (hundreds of thousands of dollars or hundreds of millions of dollars).

**Recommendation:**

State and local projects which receive or may receive less than \$5,000,000 or 25 percent, whichever is greater, of the total project funding from federal sources should be exempt from federal laws and regulations, provided such projects follow all applicable state and local laws and regulations, including laws and regulations applicable to protection of the environment and right-of-way acquisition. Furthermore, state or local projects do not become subject to federal laws and regulations (“federalized”) until such time as FHWA or the Federal Transportation Administration (FTA) notifies the affected State Transportation Agency (STA) or governmental agency that the project has been approved to receive federal funding; prior work by the state or local government is to be acceptable to federal agencies, provided the work followed applicable state and local regulations.

**Discussion:**

Reliance on federal laws and regulations, to protect the public on small projects and projects in which federal funds are the minority source, is no longer necessary and is overly burdensome. All states and most local governments have stringent laws and regulations, which protect its communities’ environment and its citizens’ property rights, as well as other public rights. State and local laws and regulations also guard against improper expenditure of public funds. These state and local laws and regulations serve well to protect the same environmental and citizen rights on projects that federal laws and regulations were enacted to protect.

If a project contains “one dime” of federal funding, it currently is subject to extensive federal laws and regulations in addition to state and local laws which serve many of the same purposes. There is no distinction in applicability of federal laws and regulations based on size and hence complexity of the project; requirements are the same whether the project is valued at \$100,000 or \$100,000,000. These requirements add from six months to more than three years to the total duration of a project from the planning stage to completion of construction, thus adding unnecessary delay to the project and delaying beneficial use of the project by citizens. The delay also results in unnecessary cost increases due to cost inflation for rights-of-way acquisition and construction. These requirements also add up to 20 to 40 percent and more in design, rights-of-way acquisition, and construction costs, with no real cost benefit to the “protected” public.

Often, state and local governments must decide if federal funding will exceed the additional costs added by acceptance of the funding. The decision is made even more difficult, since rejection of federal funding can place state and local governments at odds with elected congressional officials. Many local governments currently forego well-intended federal funding opportunities, due to “red-tape”, “too many hoops”, and “numerous strings attached” to federal funds. Many states spend a great amount of extra effort to segregate federal funds to fewer projects to avoid “federalizing” projects.

Currently, there is no clear identification of when a project becomes “federalized” and subject to federal laws and regulations. Different interpretations by FHWA and STA personnel vary from “when federal funding is planned to be sought” to “when federal funding is accepted.” The wide variation in interpretation begs for a clear definition, to provide all involved with clear direction.

**Examples:**

A Duval County, Florida local bridge replacement project received \$500,000 for design and \$437,000 for right-of-way acquisition (total of \$937,000; 1.2 percent of the total project cost), which required federal requirements be followed on the entire \$78.5 million project.

The City of Tampa, Florida accepted federal funding of \$1.5 million for a local bridge project, which had progressed through design prior to receipt of federal funding. The City had to re-do the project planning to federal Preliminary Design & Environment (PD&E) Study requirements, adding almost two years to the project schedule along with the resultant added project inflation costs.

The federal environmental permitting process has become duplicative of most state environmental permitting requirements. In Florida, the U.S. Army Corps of Engineers (Corps) does not begin serious review of a wetlands permit application until after receipt of state required permits, and eventually (with no required response time) issues the permit with few, if any, requirements beyond those levied by the state permitting agency.

A Martin County, Florida American Recovery and Reinvestment Act (ARRA) of 2009 turn-lane project cost approximately \$70,000 to obtain Florida Department of Transportation (FDOT) approval and \$40,000 for Construction Engineering and Inspection services for a total construction project cost of \$89,000.

• **Barrier to Accelerated Project Delivery:**

The environmental review and permitting process is a major contributing factor (perhaps the largest) to delays in transportation project implementation. Current federal and state agency interpretations of the National Environmental Environment Protection Act (NEPA) process are confusing, and NEPA is often applied too stringently by these agencies, resulting in excessive delays with resultant increased costs.

**Recommendation:**

Without compromising environmental protection or opportunities for public input, simplify the NEPA legislative language and applicable federal regulations to provide clear guidance, make the process outcome-based, provide for a national clearinghouse submittal of NEPA documents, streamline the process, allow greater opportunity for and more definitive guidance on qualifying projects as programmatic Categorical Exclusions, reduce documentation (paperwork) requirements, allow for greater, less burdensome delegation of FHWA's environmental authority to states, and increase authority for states and US DOT to use programmatic approaches for environmental compliance.

**Discussion:**

The environmental review process is exceptionally complex and has become more stringent and burdensome with time. NEPA requirements are interpreted with a wide degree of variation among and within agencies, often extremely conservatively (far more stringent than intended by congress) due to fear of legal challenge. An FHWA study found the average time to complete an Environmental Impact Statement (EIS) under NEPA for federal projects (between 2006 and 2010) to range from 5.75 to 7 years (and this is only for the first of 4 phases of the projects); some EISs require much longer. The results are lengthy delays, extremely long implementation schedules, numerous documents that are never reviewed in detail by anyone, and increased costs from non-productive environmental evaluations, inflation and loss of benefit to the public; in short, non-value-added, lengthy effort.

**Example:**

The environmental assessment of a Volusia County, Florida roadway project, which had been completed using local funds, had to be completely re-done, adding 5+ months to the project (a relatively short time extension, due to only one property owner being involved) and an additional \$300,000 of costs (30 percent of the federal funding received), due to receiving \$1 million of federal funds for the total \$11 million project (9.1 percent of federal funding).

The City of Tucson, Arizona was required to conduct an environmental review, which required a year to complete, for a project to mill and resurface existing City streets.

- **Barrier to Accelerated Project Delivery:**

When federal funds are used on a roadway facility, there is confusion on the limits of the roadway on which federal requirements are applicable and for what length of time the requirements are applicable.

**Recommendation:**

Provide clarity that federal requirements apply only to the project phases (planning, design, right-of-way, and construction) for which federal funds are used, for the identifiable segment length (project limits) of the project and only until completion of the phase receiving federal funds or when the federal and local match funding is expended.

**Discussion:**

When federal funds are used for construction of a sidewalk or traffic signal improvements along a portion of a local roadway, it is unclear if future locally funded projects along the entire length of the roadway must also follow federal requirements and how many years the federal requirements apply.

- **Barrier to Accelerated Project Delivery:**

State and local governments are not allowed to utilize existing general engineering consultant contracts (where design and Construction Engineering and Inspection (CEI) consultants have been selected through a Qualification Based Selection (QBS) process, similar to the federal Brooks Act) to provide professional engineering services on federally funded project phases, and are required to conduct a separate and distinct selection process for the specific federally funded project phase. This action generally requires four to six months additional time to engage a consultant.

**Recommendation:**

Allow state and local governments (including Metropolitan Planning Organizations (MPOs)) to utilize general engineering consulting contracts for provision of professional engineering services on federally funded projects, when the consultant selection has been performed in accordance with state law or local ordinance or rule similar to the federal Brooks Act.

- **Barrier to Accelerated Project Delivery:**

Many local governments are not knowledgeable in applying for federal funding for local projects and implementing federally funded projects.

**Recommendation:**

Require all State Transportation Agencies to have dedicated offices and staff for the sole purposes of preparing guidelines, training, and assisting local governments in applying for federal and state funding and implementing federal and state funded projects.

- **Barrier to Accelerated Project Delivery:**

Federal permitting agencies do not have a required response time for commenting on permit applications or issuing permits.

**Recommendation:**

Require all federal permitting agencies to identify additional required information, advise that no permit is required, or issue a permit within 60 calendar days of a permit application for transportation projects.

**Discussion:**

State of Florida permitting agencies are required by state statute to identify additional required information, comment on or issue a permit within 30 calendar days of receipt of the application. Federal permitting agencies have no legislated response time requirements.

- **Barrier to Accelerated Project Delivery:**

Conflicts between federal, state and local Disadvantaged Business Enterprise (DBE) regulations and requirements can create significant obstacles for project execution.

**Recommendation:**

Allow local agencies to comply with their US Department of Transportation (USDOT) agency approved DBE goals in lieu of a STA's DBE program, provided the local agency elects to do so by advising the granting agency of its election in writing.

**Discussion:**

These variants in requirements can complicate an agency's ability to comply. In the case of DBE requirements, this can hinder an agency's ability to accelerate project delivery while attempting to encourage and facilitate opportunities to disadvantaged businesses.

**Example:**

The Jacksonville Transportation Authority (JTA), Jacksonville, Florida, has an FTA approved agency DBE race conscious (required) goal of 12.5 percent, which is used on FTA funded projects. But, when JTA receives federal funding from FHWA through the Florida Department of Transportation (FDOT), it is required to comply with FDOT's DBE race neutral (non-required) goal of 8.18 percent. Needless to say, contractors most often do not propose DBE participation meeting the non-required goal of 8.18 percent.

- **Barrier to Accelerated Project Delivery:**

Requiring the person in Responsible Charge of a federally funded local project must be an employee of the local agency.

**Recommendation:**

Provide that the person in Responsible Charge of a federally funded local project may be an employee or an agent engaged by the local agency.

**Discussion:**

Many local agencies are so small they do not have the staff to have a person trained to be in Responsible Charge of a federally funded project. However, small communities could engage the services of another local agency or a consultant with trained personnel to assist them with managing the project.

**Examples**

The Nebraska Division, FHWA has mandated that persons in Responsible Charge of federally funded projects must complete four days of training to become qualified. To require a community of 500 to have a trained person in Responsible Charge for one "Safe Routes to School" or similar federal project every ten years, without an alternative of engaging a trained person, is unreasonable.

- **Barrier to Accelerated Project Delivery:**

Conflicts in federal agency interpretations of federal requirements.

**Recommendation:**

Designate a lead federal agency for all transportation projects, which has the responsibility and authority to interpret and monitor all federal regulations for the specified type of transportation project, e.g., designate FHWA as the lead federal agency to interpret all federal regulations regarding highways and bridges.

**Example:**

The City of Huntsville, Alabama has been stalled on preliminary design of a roadway project to serve traffic entering an Army base since March 2009, due to the U.S. Army contending that preliminary engineering performed during the environmental phase of the project could not include geotechnical exploration, which FHWA has ruled is permissible under preliminary engineering during the environmental phase.

- **Barrier to Accelerated Project Delivery:**

Small local projects, such as sidewalks, require both state and federal oversight, adding unnecessary time and expense.

**Recommendation:**

Consider a model similar to the US Department of Housing and Urban Development's (HUD) Community Development Block Grant program, where federal funds are granted directly to the local governments. Compliance with federal requirements is necessary and subject to audit, but the local agencies are trusted to carry out the program effectively.

Incentivize states to propose and implement processes that facilitate expedited project delivery at the local level.

**Discussion:**

There does not appear to be significant value added from the state and federal oversight of smaller projects that can be administered at the local level.

The current process of duplicative oversight, especially on small projects, inhibits creativity, as STAs are typically focused on making doubly sure that federal requirements are met. The STAs are NOT focused on getting these projects constructed. In fact, many of these smaller projects take time and other resources away from the STA, when they should be focused on more complex projects with a higher level of investment.

Local agencies can be certified to conduct federally funded projects, yet extensive oversight is still required. If local agencies can demonstrate their competence, they should be trusted to administer federally funded projects. These agencies have a vested interest in delivering a quality project efficiently in their communities and are

incentivized to comply with the rules to remain eligible for future funding opportunities.

**Examples:**

The City of Palm Bay, Florida has a sidewalk and landscaping project along US-1, which includes federal grant funding administered by the state. The City went through an extensive (almost two years) permitting process with the Florida Department of Transportation (FDOT) (as they have jurisdiction on US-1), then City staff resubmitted the same plans to FDOT for review relative to federal requirements. Months have elapsed while the additional review is underway, and the local agency cannot bid the project until they have received state and federal authorization to release the federal funding. These plans are signed and sealed by a licensed engineer and have been permitted by FDOT. Additional oversight will not likely add any value to the project, only additional time and cost.

• **Barrier to Accelerated Project Delivery:**

State and local governments are not allowed to use state or local funded work efforts, performed prior to award of federal funding, as a match for federal funding.

**Recommendation:**

Allow state and local government funded work efforts for project planning, environmental review, design and right-of-way, performed prior to award of federal funding, to be used as match for federal funding on the project.

**Discussion:**

Many small local governments do not have the financial capability to fund project development to adequate detail to apply for federal funding and also fund the required local match for federal funding. Therefore, they are precluded from the opportunity of applying for and receiving federal funding for transportation projects. Additionally, it is only fair that any state or local funding expended on required project activities, prior to award of federal funding, be eligible as local match for that project.

Chairman Duncan and members of the Subcommittee, thank you for holding this hearing and taking our testimony. We look forward to working with you as you complete work on a multi-year surface transportation authorization that reforms the project delivery process to save money and accelerate the delivery of transportation projects. We are ready to offer our assistance, experience and expertise.

**STATEMENT OF  
ANANTH PRASAD  
ASSISTANT SECRETARY FOR ENGINEERING AND OPERATIONS  
FLORIDA DEPARTMENT OF TRANSPORTATION  
BEFORE THE  
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE  
UNITED STATES HOUSE OF REPRESENTATIVES  
HEARING ON  
“IMPROVING AND REFORMING OUR NATION’S SURFACE  
TRANSPORTATION PROGRAMS: CENTRAL FLORIDA FIELD HEARING”  
MARCH 14, 2011**

Chairman Mica and Members of the Committee, thank you for the invitation and the opportunity to discuss ways to improve and reform our surface transportation programs. My name is Ananth Prasad and I am the Assistant Secretary for Engineering and Operations at the Florida Department of Transportation.

First, on behalf of the State of Florida, I want to express our appreciation to the Members of the Committee for your commitment to improving our nation’s surface transportation law and for your willingness to listen to ideas from the interested stakeholders across the country. I believe these hearings are a valuable service you have provided to the taxpayers all across America.

We at the Florida Department of Transportation work every day to provide a transportation system that helps move people and goods across the state and nation, boosts economic growth and prosperity, all while improving Floridians’ quality of life. In my testimony this morning I want to discuss the following points:

- The increase in the rate of return for donor states.
- The reduction of number of federal transportation programs so that we can focus limited money and resources on the programs that work and are effective.
- The reduction of duplicative, unnecessary, and burdensome regulations which needlessly increase costs and reduce output.
- The streamlining of project delivery by increasing the flexibility afforded to states in order to deliver projects on-time and under budget.
- The expansion of private sector investment and other creative financing alternatives which will allow federal, state, and local governments to do more with less.



- The adoption of performance and accountability measures that truly reflect the cost, benefit, and return to the taxpayer.

Building and investing in our infrastructure is fundamental to our state's and nation's economic future and growth. The faster we can move people and goods to their destination, the faster our economy will grow and the more prosperous our nation will be. But with scarce resources and dollars, we must be vigilant to ensure that we invest only where taxpayers' money will be put to good use on critically-needed projects that will ultimately grow our economy.

#### **Maximizing the rate of return**

Florida is a donor state and historically has received \$.86 on every dollar we send to Washington. This has to change. The goal of the new federal reauthorization law should be one that is formula-driven which provides flexibility so that donor states can achieve a higher rate of return without negatively impacting on what can be delivered.

Furthermore, earmark funds inactive for a period of five years should be returned back to the state. In Florida, for example, this would mean another \$100 million and a major capacity project that otherwise would not be funded.

#### **Reducing number of Federal Surface Transportation Programs.**

Over the years, Congress has asked state departments of transportation to do more things with fewer resources. With the downturn in the economy, it is time to tighten our belts and focus on what we do best. This is exactly what we're doing here in Florida. Instead of funding more than 100 individual programs in the next transportation bill, we should focus on a few core programs which will grow our economy. We must give serious consideration to whether—when resources and dollars are at a premium—spending money on sidewalks, bike trails, beautification, and other projects like this is the most prudent use of taxpayer money.

#### **Cutting Government Red Tape.**

Unnecessary federal mandates and regulations stifle efficiencies, force states to spend transportation dollars on unrelated initiatives, and delay critical transportation construction, maintenance, and improvements. We must eliminate mandates and regulations that hinder investment—from both public and private sectors—in essential transportation projects.

Mr. Chairman, I want to mention a specific example. The Davis-Bacon Act requires states to pay prevailing wages on public works projects. However, in nearly every category, Florida meets or exceeds the prevailing wage because the market requires us to pay a higher wage to compete for skilled workers. Furthermore, the Davis-Bacon Act does not contemplate any flexibility as to the type of work, duration of work, or the dollar amount of the contract (which is currently \$2,000). But, the real "cost" of Davis-Bacon is

often greater than the rate of pay. It is the mountains of paperwork and compliance costs imposed on state DOTs like FDOT. If the new transportation bill were written to allow DOTs like Florida to certify that our payrolls meet or exceed Davis-Bacon prevailing wage requirements, we could provide more services at a lower price. The bottom line is that mandates such as Davis-Bacon take away precious resources which could be otherwise dedicated to building new roads and bridges and improving our aging infrastructure.

#### **Flexibility and Streamlining the Project Delivery Process.**

A streamlined delivery of transportation improvements will result in immediate cost savings and a significant, long-term reduction in the cost of moving goods and people across the state of Florida and, indeed, our nation.

Mr. Chairman, we should allow states, after certification by FHWA, to substitute state procedures for:

- Environmental review and compliance on non-interstate federal projects;
- Acquisition and relocation; and
- Other program areas

when the states can demonstrate that their laws, procedures, and practice safeguards meet or exceed federal standards and serve the interest of the public.

Federal oversight should evolve to a flexible role so that all states are not judged with the same brush. We should reward states for their uniqueness and creativity. Trust but verify!

At the end of the day, we at the state level are held accountable for our decisions that we make each and every day.

#### **Increasing Private Sector Investment and Financing Alternatives.**

Increasing the gas tax is not an option. However, as we all know, the Highway Trust Fund is increasingly being asked to fund more programs with fewer dollars. This is ultimately unsustainable. Therefore, we must all work together to bridge this gap by creating innovative financing programs that will provide consistent funding levels that will meet our transportation needs into the future.

Florida currently has 8 Public-Private Partnerships (P3s) underway valued at \$3 billion. P3s allow us to finance larger projects by leveraging scarce dollars and partnering with private investors. It allows us to transfer or share risks in construction delays or cost overruns, thereby delivering the best value to the taxpayer. The I-595 project, the Port of Miami Tunnel project, and the I-75 iRox project are some great examples of using P3s to deliver massive infrastructure improvement years ahead of what traditional techniques would have done.

Florida has shown through partnering with the private sector, we can afford better transportation options, provide the projects faster, and deliver them under budget. Make no mistake: every financing option must be on the table when drafting the reauthorization bill.

Specifically, Mr. Chairman, we must have a national plan on tolling and be afforded the flexibility to toll new capacity on the interstate and major bridges on federal highways in order to stretch the traditional funding that much further. As you know, we have quite a bit of experience in building and operating toll roads by having the fourth largest turnpike authority in the country. Right here on I-4 through Orlando, we would be able to greatly reduce congestion by adding express lanes while at the same time making significant operational improvements to the existing general purpose lanes. Furthermore, tolling is not just a vital source of new revenue. It also is an excellent tool for managing congestion and capacity demands as shown on the I-95 Express project in Miami-Dade County.

One final point on funding, let's expand the Special Experimental Projects program for state to pursue privatization opportunities where it makes sense. SEP-14 and SEP-15 have been very successful for states to try new and innovative practices which now have become standard operating practice in those states. Examples include Design-Build and Cost plus Time contract delivery techniques.

#### **Accountability and Performance.**

The federal program must evolve from the prescriptive nature to one that is performance driven. Performance measures must show a positive return on our investment. In Florida, that is what we are doing and why we are returning nearly \$5 for every dollar invested in transportation.

#### **CONCLUSION.**

Thank you Mr. Chairman for your leadership and your interest in identifying ways to improve and reform our Nation's transportation system. On behalf of the Florida Department of Transportation, we appreciate that you and the Members of your Committee held this hearing. And we stand ready to work with you and the Members of the Committee to develop new legislation that provides a roadmap to the future. Thank you for the opportunity to appear before you all this morning and I look forward to answering your questions.

Testimony of Robert G. Burleson

President, Florida Transportation Builders Association

Before the House Transportation and Infrastructure Committee Field Hearing on

Improving and Reforming our Nation's Surface Transportation Programs

Maitland, Florida

March 14, 2011

Good morning, Mr. Chairman and members of the Committee. My name is Bob Burleson and I am the President of the Florida Transportation Builders' Association, a trade organization representing contractors, engineers, equipment dealers, material suppliers and many other businesses having an interest in transportation construction. I reside in Tallahassee, Florida. I appreciate the opportunity to testify at this field hearing and I am particularly honored to appear before you, Mr. Chairman, in our home state of Florida. I have represented the members of FTBA for 22 years. Prior to that I spent over 15 years as a roadbuilder in a family-owned company working around the Southeastern US.

The main concern for our industry is the uncertainty of funding which is making it extremely difficult for contractors and Florida DOT to plan and program projects over the next several years. Contractors are currently postponing decisions such as purchasing new equipment or hiring new employees because they are unsure of the direction the program will go. Most contractors in Florida are operating at less than 50% capacity and with a work force that has been reduced at least 40%. Unemployment within our industry exceeds 20%.

Timely enactment of a multi-year surface transportation reauthorization bill with dedicated and predictable levels of funding for maintaining and constructing our Nation's highways is critical to restoring confidence in our industry and is also, in my opinion, key to our economic growth and job creation throughout the United States.

We cannot afford to neglect our nation's infrastructure as our competitor's around the globe pour more money into improving their own transportation networks. I certainly understand that asking for increased investment in transportation infrastructure at the same time Congress is trying to decrease overall spending and reduce our deficit is difficult. I believe, first and foremost, we must get our deficit under control. There is no greater threat to our country than our rising debt. I attended the last hearing of The National Commission on Fiscal Responsibility and Reform and I agreed with their recommendations for reigning in our spending and dealing with our deficit.

We must align our transportation spending with the revenues coming into the Highway Trust Fund. As with all other areas of both our personal lives and government we have to live within our means. Some

day in the future I hope we will seriously address the need to increase those revenues. Until that time we cannot spend more than we take into the trust fund. That requires us to set priorities, streamline the process and work smarter. I recognize that transit plays an important role in moving individuals from place to place, particularly in our urban areas. I would ask that you consider allowing the Highway Trust Fund to revert back to its original purpose of building and maintaining our interstates and other federal highways. Our current revenue stream cannot pay for both our highway needs and our transit needs. Transit is needed and deserves a dedicated funding source of its own. Until that is established transit should obtain its funding from General Revenue. That would provide an immediate 25% increase to highway funding.

The program should be prioritized to fund our Interstates and Federal Highways. We must protect and maintain the investment we have in our national highway system. I urge you to minimize the number of funding categories and federal programs through which funds are distributed. Require states to maintain a high level of service and quality on our federal system as a first priority. Next, the remaining funds should be dedicated to widening and improving the existing system along with adding new location roadways where possible that achieve the maximum benefit to moving both people and goods around Florida and around the country. We cannot afford to fund "non-basic" items such as landscaping, bike paths, transportation museums to name a few, in these economic times.

Much has been discussed about Public, Private Partnerships or PPP's. How do we maximize private investment in transportation? Florida has been a leader in PPP's. PPP's have allowed us to undertake some projects years earlier than otherwise might have occurred. I support the continued use of PPP's. They are, however, not the total answer for all our funding needs. Private investment expects a return. This return currently comes from one of two sources: tolls or availability payments. In Florida we use tolling extensively. In many cases the tolls will not completely fund a project but they will allow for a project to move forward sooner. We must allow tolling of any *added* capacity on our interstates and other major federal highways. These tolled lanes provide better traffic flow in our urban areas.

We cannot view PPP's as only a source of capital for future projects. The PPP's must bring their own revenue source-generally, tolls- to the table. Simply speeding up the start of a project by "borrowing" money from a private investor with the only source of repayment to the investor being future year's revenue does not create a bigger pool of funding. We simply kick the can down the road and are left with a program that only makes debt service or availability payments, but allows for no new work for bidding in outlying years. A moderate use of PPP's with only availability payments and no toll revenue may be okay but is not sustainable as our only future funding source. Like bonding, PPP's, absent their own revenue stream, don't deal with the real problem of more funding. As I have said before, now more than ever, we must pay for what we do. There is no free lunch and certainly there are no free roads. Private investors must be given other reasons to become involved. We need to be much smarter about trading potential development rights for investment; while at the same time not trampling on private property rights.

Moving beyond funding into other areas, the past two surface transportation reauthorization bills have included project streamlining provisions and, to date, projects still take nearly two decades to complete.

According to a report by the U.S. Government Accountability Office (GAO), as many as 200 major steps are involved in developing a transportation project from the identification of the project need to the start of construction. In order to have measurable improvement in the review and approval process, DOT must be given the authority to impose time limits on other agencies involved in the process. Permits and other decisions on non-DOT controlled issues should be completed in 180 days or less. Duplicative requirements in the transportation planning process and NEPA must be eliminated. A study should not have to be re-done if the transportation planning process has already yielded usable information. I hope that this bill will contain some real progress in streamlining project delivery.

I am not sure exactly how the Committee works with other committees on areas such as Davis Bacon. In Florida, early in 2009 we received new wage rates in the Highway, Heavy construction area. Many of the rates are fine and make perfect sense. Other rates, however, are way out of line. We have examples where the mandated rate for a laborer is greater than the rate for a crane operator. To me at least, that makes no sense. FDOT actually received a comment back from the Department of Labor saying not to confuse them with the facts-the rates were the rates! These types of wage decisions only serve to raise costs when we need to use our resources as wisely as possible.

Finally, the federal gas tax has served us well for a long time as a funding mechanism. In today's environment of cars becoming more fuel efficient, alternative fueled vehicles and a national policy of reducing our dependence on foreign oil, we need to find a new revenue source. It must continue to be a true user fee. It must include a way to charge alternative fueled vehicles. I would encourage the Committee to consider a serious study of VMT (Vehicle Miles Traveled) as our new funding source with a goal of going to a VMT system nation-wide by 2020.

Mr. Chairman, I really appreciate this opportunity to offer testimony. I wish you luck in developing a multiyear bill that will be adopted as soon as possible and certainly before another extension is required. I know you will be successful.

Improving and Reforming our Nation's Surface Transportation Programs:  
Central Florida Field Hearing

U. S. House of Representatives

Committee on Transportation and Infrastructure

Congressman John L. Mica, Chairman

Testimony of Randy M. Whitfield, P.E., Director

Palm Beach Metropolitan Planning Organization

Chairman Mica and Members of the Committee, I would like to thank you for the opportunity to testify at this hearing in consideration of the next Surface Transportation Bill that will provide direction in planning and implementing the transportation requirements to support the economy and mobility of the nation.

I would like to address several points today related to transportation funding, the need for flexibility in meeting transportation demands and the process involved in providing mobility for people and goods.

Transportation funding is currently divided among a number of programs that have associated guidelines and requirements limiting the use of those particular funds. The multiplicity of these programs requires extensive administration and knowledge to determine what is available for a particular project, does it qualify within a particular program and what do I have to do for the funds. Funding for transportation should be streamlined into a few funding programs that have flexibility and can be applied to a wider range of projects involving maintenance and capacity increases. There should be a floor for these programs to ensure funding is available for all modes. There should be some level of transferability among the programs at lower levels to address local needs. The ability to leverage these funds in partnership with the private sector needs to be encouraged and expanded. One approach could be the use of incentives for the private sector funds and the availability of funds through Infrastructure Banks or similar mechanisms.

Maintenance and operation of the transportation system is an important consideration today and in the future. The American Society of Engineers has given the transportation system components grades ranging from C- to D- for conditions of the

bridges, roads and transit. Preservation of the current system must be a priority. Funding for major capital projects is limited as is the land needed for major expansions. Improved efficiency in using this system is important. National research into technology should be continued to find and develop ways to operate the transportation system safely and more efficiently. Intelligent Transportation System solutions such as the I-95 Managed Lanes and a regional transit Smartcard in South Florida will play a larger role in providing mobility for the movement of people and goods.

To fund these streamlined programs, a reliable, predictable funding mechanism is needed. The gas tax has served the country well over the years but no longer provides an adequate revenue stream to meet current and future needs. Increased vehicle efficiency and use of alternative fuels and energy sources is good for the environment and national goals for reducing dependency on foreign sources but transportation revenues are reduced. In addition, users of alternative energy sources are not paying a fair share of impacts to the transportation infrastructure caused by vehicle use. A different funding mechanism is needed to ensure all users of the transportation system contribute to the programs and provide adequate funding to construct, operate and maintain the transportation system.

How do you provide transportation using these funds and implement the needed projects to provide capacity and use the system efficiently? This requires a balancing act between local needs and regional objectives. The Miami Urbanized Area is roughly 100 miles long and 20 miles wide with a population of 5.5 million. Within this area are a number of culturally diverse groups with different life styles and desires for quality of life. At the same time, there are economic interests and goals to be achieved as a region. To address the local and regional transportation needs for these various interests, the area continued to maintain the three existing MPOs and created a Transportation Council with MPO representatives for regional mobility concerns and to perform regional planning tasks. Some of these tasks included partnerships with FDOT in performing a Regional Freight Study, a passenger rail feasibility study serving multiple city centers, and a Regional Long Range Multimodal Transportation Plan. These types of coalitions of the MPOs and transportation service providers have been created in most other large urban areas in Florida. They are balancing the local and regional aspects of transportation services with the flexibility inherent in makeup of the MPOs and councils. In time, these structures may evolve into more regional entities to remain competitive in the national economy.

Accountability is an issue that should be part of the process for providing transportation. Performance measures can play a major role in meeting transportation objectives and demonstrating to the public how funds are making a difference. These performance measures must be related to the overall goals and be able to show progress toward



meeting the goals. They should be meaningful, easy to measure, and easy to understand.

An area to apply performance measures to show improvement is project delivery. This is an area that continues to need streamlining in the various phases of project development. Opportunities exist to expedite review of plans, environmental impact analyses, right-of-way acquisition, and project approval. As an example, the phase involving environmental reviews is necessary, but can take a significant amount of time. Florida has implemented the Efficient Transportation Decision-Making process that affords an opportunity for review by all agencies at the same time. There are agreements with the reviewing agencies committing them to project review within a specified time period. Any problem areas are identified early on so resolution can begin sooner. This process results in reductions in the review time and documentation which moves forward with the project. All phases of project development should be reviewed to implement streamlining opportunities and expedite project delivery.

In summary, the national transportation system is a key element of the economy and life style for U S citizens. This system needs to be repaired, preserved and expanded to meet today's needs and tomorrow's demands. We need a simpler system to fund the program, flexibility to address the needs, a fair system of funding, decision-making where the demands occur and the ability to respond to the needs quickly.

Thank you for the opportunity to speak to you today.

**Testimony of Geoffrey S. Yarema  
Chair, Infrastructure Practice Group, Nossaman LLP  
Member, National Surface Transportation Infrastructure Financing  
Commission**

**Before the  
United States House of Representatives  
Committee on Transportation and Infrastructure**

***Improving and Reforming our Nation's Surface Transportation Programs  
Central Florida Field Hearing***

**March 14, 2011**

Chairman Mica, Ranking Member Rahall and members of the Committee, thank you for inviting me to testify today. My name is Geoff Yarema. I chair the Infrastructure Practice Group at the law firm, Nossaman LLP. We advise state and regional transportation agencies around the country in the innovative procurement, contracting and financing of large transportation projects in ways that minimize the use of federal grant funds.

Nossaman has assisted in the delivery of many of the signature projects that have utilized the foundational mechanisms provided by the existing surface transportation authorization bill, SAFETEA-LU, helping to build the next generation of transportation infrastructure. I was also privileged to serve, at the behest of former Secretary of Transportation Mary Peters, as a Commissioner on the National Surface Transportation Infrastructure Financing Commission (the "Financing Commission"). My testimony today reflects my experience on the ground advising public agencies and my two years of work on the Commission.

**A. Transportation Funding in Crisis.**

The states and the federal government each have a role in delivering transportation projects. The states have the primary responsibility for planning, financing, delivering and operating the physical infrastructure. The federal government historically has provided partial funding and has regulated activity on projects receiving such funds. More recently, the federal role has evolved to offer credit assistance and incentives to states and regional government to maximize their contributions in replacing traditional federal shares.

As this Committee well knows, current federal funding levels fall far short of meeting the nation's surface transportation infrastructure needs. While the federal Highway Trust Fund ("HTF") has provided financial stability essential to today's

highway and transit systems, under current policies, HTF revenues will fund through 2035 only 44% of the federal share needed to maintain the current system and only 36% of the federal share needed for system improvements.

Moreover, since 2008, the federal government has had to infuse approximately \$34.5 billion in General Fund money to keep the HTF afloat. Neither further general fund transfers nor gas tax increases are tenable in the current political environment.

This reality places huge pressure on the nation's ability to deliver transportation projects of national and regional significance that are by definition capital intensive and critical to mobility, goods movement and economic growth, a fact the Financing Commission addressed head-on in its February 2009 report, *"Paying Our Way: A New Framework for Transportation Finance."*

Fortunately, Congress has the ability to strengthen existing programs to better enable states to do more with less federal resources and less predictable resources. The proposals I put forward here, many backed by the Financing Commission's bipartisan and unanimous conclusions, offer the states greater flexibility in finding innovative ways to pay for transportation projects, attracting private capital beyond what the public sector can produce, maintaining the user fee approach to transportation funding and ensuring the long-term quality of this nation's world-class transportation system.

#### **B. Enhance the TIFIA Program.**

Despite some perceptions to the contrary, the U.S. Department of Transportation ("USDOT") already has within it a national infrastructure bank. It's called the TIFIA program that has worked and, with additional attention, can work extremely well. Established in 1998, the Transportation Infrastructure Finance and Innovation Act ("TIFIA") offers credit assistance for highway, transit, intercity passenger facilities, freight rail, and freight transfer facilities. Under TIFIA, USDOT helps project sponsors assemble capital by providing long term, "patient" financial assistance (loans, loan guarantees and letters of credit) for projects of national and regional significance in excess of \$50 million that have dedicated revenue sources available for repayment.

Currently, TIFIA financial assistance is available for only 33% of a project's cost, and the applicant must demonstrate that at least two-thirds of eligible project costs will be covered by direct investment, commercial loans, federal-aid highway or transit grants. Thus, TIFIA loans significantly reduce reliance on federal grant funds by providing foundational financing that encourages other investors to participate in funding the project. Because the budgetary cost (sometimes called the subsidy cost) of TIFIA credit assistance is not its face value, but rather the combined cost of issuing the credit instrument and the risk of non-repayment, the

budgetary cost to the Treasury or "score," is typically about 10% of the face value of the credit.

Since the TIFIA program's inception in 1998, the USDOT has provided TIFIA assistance in excess of \$8 billion, supporting projects with a total capital value in excess of \$30 billion for less than \$1 billion in budget authority. A leading example is the Texas Department of Transportation's North Tarrant Express. This public-private partnership was created to design, build, finance and operate managed lanes and upgrade existing facilities within an existing 13-mile interstate highway corridor in the congested Dallas-Ft. Worth Metro area. Under construction today, the project's \$2 billion in capital costs were financed with \$573 million in state funds, \$400 million in senior private activity bonds, a \$650 million TIFIA loan and \$427 million of private equity. Thus the approximately \$65 million in budgetary cost for the TIFIA loan, essential to the assembly of the other monies, helped deliver a \$2 billion project, yielding a federal cost-to-project value ratio of approximately 3.5 to 100. Additionally and importantly, the operating and maintenance costs of the managed and general purpose lanes of the North Tarrant Express facility are privately funding for 50 years without any state or federal government assistance.

This is the type of result I believe needs to be replicated more frequently across the country. The potential for TIFIA to further spur non-federal public and private investment in the U.S. transportation system would be facilitated by several improvements, much of which follows recommendations of the Financing Commission.

The changes I propose to the TIFIA program are as follows:

**1. Increase the Funding Cap.**

For many years, the TIFIA program had sufficient resources to accept applications on an as-needed, rolling basis, without the need to have good projects compete against each other. As more and more states and localities have seen the value of such models suggested by the Texas example I provided above, the demand for the TIFIA program has grown exponentially. Indeed, TIFIA is now an essential piece of the financing puzzle for large transportation projects that depend in part upon dedicated non-Federal revenue streams to fund current construction. As a result the pipeline of potential TIFIA projects has never been greater and TIFIA is woefully under-resourced to meet legitimate demands.

Currently, the TIFIA program is limited to \$122 million in annual budget authority. For fiscal year 2010, the USDOT received 39 applications, of which only four resulted in TIFIA allocations. The American Recovery and Reinvestment Act of 2009 (ARRA or TIGER I) permitted the USDOT to fund up to \$250 million in credit subsidy, but only \$60 million was used. The FY 2010 Appropriations Act

(TIGER II) program permitted up to \$150 million in credit subsidy, and, despite excellent applications, only \$20 million was used.

On March 1, 2011, USDOT received letters of interest from 34 potential TIFIA applicants with a total estimated project cost of \$48.2 billion, a total TIFIA request of more than \$14 billion and requiring credit subsidies of roughly \$1.4 billion, more than 10 times the \$122 million available. A list of the applications is attached.

Separately, our firm has created a list, also attached, of potential TIFIA highway project applicants over the next three years. The chart is not comprehensive, does not include transit and other intermodal projects and has not been cross-checked against the just published list of fiscal year 2011 TIFIA applicants, yet suggests demand for TIFIA loans over the next three years to be greater than \$65 billion. Under the current 33% limit for eligible project costs, the chart would suggest total TIFIA requests of nearly \$22 billion, resulting in approximately \$2.2 billion of needed budget authority or \$730 million per year. If the TIFIA limit were raised to a higher percentage of eligible project costs, as discussed hereafter, near-term TIFIA highway project requests would be substantially greater. To this amount one would add projects not on our list, including a sizable transit and intermodal program.

Thus, if we as a country wish to incentivize state and regional governments and the private sector to pick up the significant slack of declining federal apportionments, it is clear that funds obligated for TIFIA should rise to meet current and anticipated demands. In February 2009, the Financing Commission recommended a \$300 million cap. As demonstrated above, the Commission clearly underestimated the value and need of the program today, and I now size the need for the program at \$1.2 billion per year over the life of reauthorization.

## **2. Expand Eligible Project Costs.**

In addition to increasing the total TIFIA funding cap, we can optimize private investment in major transportation projects, and thereby minimize the use of federal tax revenues and grants, by increasing the portion of eligible project costs that TIFIA loans can cover current law limits. Under current law, TIFIA is limited to 33% of eligible project costs. This restriction limits the ability of transportation project sponsors to attract and leverage private capital. I recommend that Congress expand TIFIA's utility by allowing: (i) TIFIA funding for up to 75% of eligible project costs, (ii) TIFIA funding of planning and preliminary design costs at 100% of project cost, and (iii) the flexibility to fund projects even if senior debt is not of investment grade.

### **3. Eliminate the "Springing Lien."**

TIFIA was originally conceived to be a source of "patient" capital subordinate to senior private financing. Nevertheless, current law states that, in the event of insolvency or bankruptcy of the borrower, the TIFIA loan "springs" to parity with any debt senior to TIFIA. This discourages the investment of private capital, decreases the value of TIFIA financial assistance and thereby undermines the very purpose of the TIFIA program.

The scoring of the TIFIA loan will clearly reflect the quality of debt senior to TIFIA loans, so no need exists to prohibit TIFIA financing for projects of this kind that are otherwise worthy. Risk issues should be reflected in the subsidy cost and not dealt with by excluding TIFIA financing for otherwise worthy projects. I recommend that Congress address this demonstrated friction point and eliminate the springing lien.

### **4. Remove Non-Statutory Requirements.**

The legislation currently authorizing TIFIA charges USDOT with using specified statutory criteria to evaluate loan applications and provide TIFIA credit assistance. As long as the TIFIA program had sufficient resources to meet project demand on a rolling application basis, the USDOT awarded TIFIA loans to all applicants meeting such criteria. Recently, as demand has exceeded available resources and USDOT switched to a fixed competitive annual process, it has developed its own supplemental evaluation criteria, with no basis in legislation, rules or published guidelines, based on notions of "livability" and "sustainability", in order to discriminate among worthy applicants.

If we once again have enough resources in the TIFIA program to meet demand, USDOT should have no discretion to turn down credit-worthy and legally compliant projects. If, on the other hand, we remain in a situation where demand exceeds supply, USDOT should be required to choose among competing applications based solely on statutory criteria and not on any informal policies beyond those Congress has declared.

### **5. Create Two New TIFIA Offerings.**

In addition to my policy recommendations regarding certain existing aspects of the TIFIA program, I recommend that Congress consider the Financing Commission's proposal to add to the TIFIA program the following two new offerings. Each has been carefully designed to focus limited federal resources to incentivize additional non-federal investment in the U.S. transportation program.

**a. Up-front assistance for early planning, feasibility studies, environmental clearance, and other development-stage activities.** This

program could provide an avenue for states to create significant new revenue streams for large construction without bearing 100% of the up-front risk of feasibility and environmental studies. To fund the best of such projects nationally, the selection process for the program would be similar to that of the current TIFIA credit program, with established specific selection criteria. Funds provided to selected recipients could be subject to repayment to the HTF not as creditworthy loans but from excess project revenues if and to the extent they exceed pre-established targets.

**b. Gap funding for user fee backed projects.** In some cases, projects can be largely financed with user fees but fail, despite best efforts, to find the last tranche of capital to complete construction. Gap-funding assistance could support user fee- backed projects and leverage state, local, and private investment to deliver large projects at a relatively low cost to the federal government, and encourage public agencies to experiment with new revenue sources.

### **C. Private Activity Bonds.**

While the U.S. House Committee on Ways and Means has jurisdiction over tax matters, the following policy recommendations are highly relevant to the federal government's transportation funding efforts. With the 1986 passage of the Tax Reform Act, Congress permitted infrastructure, such as solid waste and airport facilities, with historical private investment to continue to issue tax exempt debt in connection therewith. Because highways and transit systems had little or no history of private investment at that time, Congress prohibited the combination in the same project of tax exempt debt and either private equity or long-term management contracts.

To demonstrate the value of waiving such a prohibition, Congress authorized in the 2005 SAFETEA-LU authorization the U.S. Secretary of Transportation to approve the issuance of up to \$15 billion in private activity bonds ("PABs"), adding qualified highway and freight rail transfer facilities to the list of 22 other Congressionally-approved categories of approved PABs. With over \$6 billion in PABs now approved, the program has become a very effective financing tool for major projects across the country, yet this Administration has shown reluctance to make further allocations, despite worthy pending applications and absolutely no-budgetary impact. The Financing Commission recognized the value of Highway PABs and recommended their extension and other improvements to this program.

#### **1. Make Highway PABs Permanent Law.**

The current Highway PABs program authorized by SAFETEA-LU expires once the \$15 billion is used. Given the effectiveness of this program, it should become permanent.

## **2. Lift the Cap on Highway PAB Funding.**

For PABs to continue to benefit highway surface transportation projects and the jobs they produce, the \$15 billion cap now limiting the use of PABs should be eliminated. Pending and foreseeable project applications will soon be sufficient to absorb the remaining PAB ceiling.

## **3. Make Permanent the Exemption for PABs From the Alternative Minimum Tax .**

Before enactment of ARRA, the interest income from tax-exempt PABs was included in the alternative minimum tax ("AMT") base and was taxable for taxpayers whose income was high enough to be subject to the AMT. Interest income from other governmental bonds was not included in the AMT, thus putting PABs at a competitive disadvantage in capital markets. ARRA leveled the playing field by making qualified PABs issued in 2009 and 2010 exempt from the AMT. This provision, which expired at the end of 2010, should be extended.

## **4. Allow Deferred Interest on Highway PABs.**

New toll roads, a typical example of the type of project benefitting from PABs, often do not generate sufficient initial revenue to cover interest payments. Recognizing this, private lenders and the TIFIA program allow borrowers to defer interest payments for the first few years of operation by adding the interest to the principal. PAB interest cannot be deferred and added to the principal. PABs should be on equal footing with other credit instruments and reflect how transportation funding actually works.

## **D. Allow States to Leverage their Federal-Aid Highway Apportionments.**

As I discussed earlier, the leveraging mechanism of the TIFIA program has allowed a relatively small amount of funding to support loans worth billions of dollars for transportation infrastructure projects across the country. Even if the TIFIA program is expanded in the ways I recommend above, supply may still exceed demand, and some applicants may still be unable to obtain TIFIA-type money from USDOT. Therefore, I recommend that Congress allow the states the option to allocate a share of their federal-aid highway apportionment to cover the credit subsidy costs of a TIFIA-type project loan. These loans would be available for the same types of projects eligible for funding under the apportionment providing the loan. They would have to be repaid from non-federal sources and would carry an interest rate comparable to TIFIA loans. By borrowing against their apportionment instead of using the apportionment for grants, states would be able to leverage the money available for transportation projects about ten-fold. This is because the amount that would be obligated from the state's apportionment for a loan is only its budgetary (subsidy) cost.



For example, if a state wishes to build a project using \$500 million in National Highway System (NHS) funds, it could borrow this money from its NHS apportionment. If the project is backed by a secure funding source (such as tolls), that \$500 million loan would require an obligation of only \$50 million in NHS funds. To build the same project today, using the NHS funds as a grant, the state would have to find obligation authority for the entire amount of federal funds it wishes to use on the project (in this example, \$500 million).

#### **E. Expand Flexibility for Tolling Interstate Highways.**

Much of the recent debate over tolling interstate highways has focused on tolling existing capacity. I would like to shift the focus of the conversation to tolling for capacity improvements and expansions, as recommended by the Financing Commission in its final report. The Financing Commission recommended expanding and normalizing the toll pilot programs in current law, making these important tools permanently available. Specific recommendations include:

- Making permanent and expanding to all 50 states the successful pilot programs of ISTEA, TEA-21 and SAFETEA-LU, including the Value Pricing Pilot Program (VPPP), the Express Lanes Demonstration Program, Interstate System Reconstruction and Rehabilitation Pilot Program, and the Interstate System Construction Toll Pilot Program; and
- Limiting the use of resulting toll revenues to Title 23 and Title 49 purposes.

Refining the programs listed above would provide sufficient authority to pursue effective toll regimes while staying within the bounds of what has already been approved by Congress.

#### **F. Commercial Messages.**

Policies set forth in the federal Manual on Uniform Traffic Control Devices ("MUTCD") currently prohibit the display of commercial messages within highway rights of way, with limited exceptions. Additionally, the Highway Beautification Act ("HBA") may restrict the display of such commercial messages in signs adjacent to highway rights of way. Several states have expressed an interest in partnering with private entities to implement new networks of changeable message signs (CMS). Liberalizing the MUTCD and HBA to allow the implementation of CMS would provide much needed revenues.

Hi-tech digital CMS displays would relay information about emergencies, weather, accidents and other traveler or public service issues in real time. These signs would be erected at the private partners' expense at existing CMS locations, and maintained using revenues generated through placement of commercial messaging on the network. Net revenues generated throughout the network

would be made available to repair the existing highway system, build new capacity and enhance highway operations through the use of intelligent transportation systems or for other public purposes. States would be responsible for setting criteria for official and commercial message content and would maintain veto and emergency override authority over all displays.

California, Pennsylvania and Florida have already applied to the USDOT for exemptions from the MUTCD to implement small-scale CMS systems and evaluate any resulting safety impacts, positive or negative. Amending the MUTCD and HBA to allow digital CMS would create much-needed revenue streams for these and other states that wish to implement CMS networks.

#### **G. Improve and Streamline the RRIF Program.**

The Federal Railroad Administration ("FRA") administers the Railroad Rehabilitation & Improvement Financing ("RRIF") Program, providing direct, low-interest federal loans and loan guarantees to finance the development of railroad infrastructure. Railroads, rail freight shippers, and state and local governments and authorities are eligible to apply for RRIF loans. Direct RRIF loans can fund up to 100% of a railroad project with repayment periods up to 35 years and interest rates equal to the cost of borrowing to the government.

The RRIF program has great potential, but is woefully undersubscribed, has a cumbersome application process, and has not adequately benefited passenger rail projects. Current outstanding loans total only \$430 million, although the authorized credit ceiling for the RRIF program is \$35 billion. An average of only three RRIF loans are approved and executed by FRA each year. While the statutory deadline for final determination of a RRIF loan application is 90 days, the FRA reports that the average processing time for a RRIF loan application is actually 13.5 months. Additionally, only three of the 28 RRIF loans have gone to passenger rail projects.

The RRIF application process must be streamlined and made more interactive, driven by FRA commitment to support applicants and a recognition that elements of passenger rail projects differ from traditional RRIF loan freight rail projects.

State and local government passenger rail authorities have also identified coordination with Federal Transit Administration ("FTA") grant programs as a key need to better open the RRIF program to passenger rail projects. FTA generally has prior rights over assets procured with the assistance of FTA funds, but FRA requires first lien on hard assets backing RRIF loans. Therefore, as John Fenton, CEO of the Southern California Regional Rail Authority, recently testified at a February 17, 2011 hearing of this Committee's Subcommittee on Railroads, Pipelines and Hazardous Materials, passenger rail authorities generally cannot

use assets procured with FTA funds as collateral for RRIF loans, significantly limiting the ability of these authorities from using the RRIF program. Common sense collaboration between the FTA grant process and the RRIF program could eliminate these barriers.

#### **H. National Transportation Infrastructure Bank.**

There has been considerable discussion recently suggesting a national infrastructure bank (iBank) as another source of funds for important transportation projects. Legislation authorizing an iBank should:

- Identify dedicated funding sources;
- Streamline the application/evaluation process for existing programs; and
- Give preference to applications that draw in new financing and/or revenue streams from private and other non-federal sources.

The iBank must not mix transportation projects with other types of public works. If a National Infrastructure Bank is created to support several kinds of public works projects, the different types of projects should be funded separately to avoid an unworkable competition between dissimilar public works activities.

With regards to the funding of a potential iBank, I recommend the following principles:

- Funds should not come from already over stressed dedicated transportation funds, such as the HTF – these funds are designed to flow to the states, and not to be a source for a national discretionary program;
- To the extent that projects are funded with credit assistance from the iBank, the cost of credit should be below commercial rates and transactional costs should be kept to a minimum, not reflecting the subsidy costs as some TIFIA credits are requiring today; and
- To the extent that the iBank is used as a fund for competitive grants, such as the TIGER I and II programs, decision procedures should be objective, transparent and kept free of earmarking.

All of the many funding approaches now under consideration should be explored, and, if appropriate, additional ideas should be proposed. For example, under legislation previously introduced by Representative DeLauro, a National Infrastructure Bank would create would issue debt securities directly. Up to \$5 billion annually of these securities could be purchased by the Treasury Department, but not exceeding 10% of the debt securities issued by the Bank.

An enhanced TIFIA program with features that I proposed earlier would offer much of the benefits of the iBank, except for financial assistance falling short of the existing repayment assurances USDOT requires, such as grants and "quasi-grants."

**I. Conclusion**

Thank you for the opportunity to offer my recommendations to help the United States close the ever-increasing gap between needs and resources. While these financing tools in and of themselves do not create new revenues, they do create powerful incentives for state, regional and private entities to invest non-federal funds in major projects of regional and national significance. I will be pleased to answer any questions and to otherwise assist the Committee in any way.

**FY 2011 TIFIA Letters of Interest Submitted  
Amounts in Millions of Dollars**

Potential Applicant	Project Name	Date Received	Estimated Project Cost	TIFIA Request	Percent of Total	Type of Instrument
Alameda Contra Costa Transit District (AC Transit)	AC Transit Intelligent Transportation Systems (East Bay Area, CA)	FY 2011 (03/01/2011)	\$25	\$9	34%	Direct Loan
Alamo Regional Mobility Authority (Alamo RMA)	US 281 (San Antonio, TX)	FY 2011 (03/01/2011)	\$655	\$217	33%	Direct Loan or Direct Loan & Loan Guarantee Combination
Alamo Regional Mobility Authority (Alamo RMA)	US Loop 1604 (San Antonio, TX)	FY 2011 (03/01/2011)	\$1,206	\$361	30%	Direct Loan or Direct Loan & Loan Guarantee Combination
Bay Area Rapid Transit District (BART)	Oakland Airport Connector (San Francisco, CA)	FY 2011 (03/01/2011)	\$478	\$100	21%	Direct Loan
Central Texas Regional Mobility Authority (CTRMA)	MoPAC Improvement Project (Travis County, TX)	FY 2011 (03/01/2011)	\$248	\$82	33%	Direct Loan or Direct Loan and Line of Credit Combination
City of Chesapeake	Route 17/Dominion Boulevard (Chesapeake, VA)	FY 2011 (03/01/2011)	\$412	\$140	34%	Direct Loan

**FY 2011 TIFIA Letters of Interest Submitted  
Amounts in Millions of Dollars**

Potential Applicant	Project Name	Date Received	Estimated Project Cost	TIFIA Request	Percent of Total	Type of Instrument
Colorado High Performance Transportation Enterprise (HPTE)	US 36 Managed Lanes/BRT (Boulder, CO)	FY 2011 (03/01/2011)	\$311	\$53	17%	Direct Loan
Delaware Department of Transportation (DelDOT)	US 301 (Delaware)	FY 2011 (03/01/2011)	\$738	\$240	33%	Direct Loan
Elizabeth River Crossings LLC (ERC)	Downtown Tunnel/Midtown Tunnel/ MLK Freeway (Norfolk and Portsmouth, VA)	FY 2011 (03/01/2011)	\$2,009	\$586	29%	Direct Loan
Georgia Department of Transportation (GDOT)	Northwest Corridor (Cobb and Cherokee Counties, GA)	FY 2011 (03/01/2011)	\$1,430	\$375	26%	Direct Loan
Houston METRO	University Light Rail Transit Line (Houston, TX)	FY 2011 (03/01/2011)	\$1,481	\$244	17%	Direct Loan or Direct Loan & Loan Guarantee Combination
Illinois Department of Transportation (IDOT)	Elgin O'Hare - West Bypass (Cook County, IL)	FY 2011 (03/01/2011)	\$2,190	\$700	32%	TBD

**FY 2011 TIFIA Letters of Interest Submitted  
Amounts in Millions of Dollars**

Potential Applicant	Project Name	Date Received	Estimated Project Cost	TIFIA Request	Percent of Total	Type of Instrument
Kentucky Transportation Cabinet	Louisville - Southern Indiana Ohio River Bridges (Louisville Metropolitan Area, KY)	FY 2011 (03/01/2011)	\$4,083	\$1,300	32%	Direct Loan
Knik Arm Bridge and Toll Authority (KABATA)	Knik Arm Bridge (Anchorage and the Matanuska-Susitna Borough)	FY 2011 (03/01/2011)	\$1,077	\$306	28%	Direct Loan
Los Angeles County Metropolitan Transportation Authority (LACMTA)	Crenshaw/LAX Transit Corridor (Los Angeles, CA)	FY 2011 (03/01/2011)	\$1,715	\$546	32%	Direct Loan
Los Angeles County Metropolitan Transportation Authority (LACMTA)	Westside Subway Extension (Los Angeles, CA)	FY 2011 (03/01/2011)	\$2,064	\$641	31%	Direct Loan
Massachusetts Port Authority	Massport (Boston, MA)	FY 2011 (03/01/2011)	\$320	\$75	23%	Direct Loan
Metropolitan Washington Airports Authority	Dulles Metrorail (Northern Virginia)	FY 2011 (03/01/2011)	\$6,586	\$1,730	26%	Direct Loan

**FY 2011 TIFIA Letters of Interest Submitted**  
**Amounts in Millions of Dollars**

Potential Applicant	Project Name	Date Received	Estimated Project Cost	TIFIA Request	Percent of Total	Type of Instrument
Monterey-Salinas Transit	Monterey Bay Bus Operations and Maintenance Facility (Monterey County, CA)	FY 2011 (03/01/2011)	\$99	\$33	33%	Direct Loan
New York Metropolitan Transportation Authority (MTA)	Second Avenue Subway (New York, NY)	FY 2011 (03/01/2011)	\$4,451	\$1,484	33%	Direct Loan
North Carolina Turnpike Authority (NCTA)	Gaston East-West Corridor (Gaston County, NC)	FY 2011 (03/01/2011)	\$990	\$319	32%	Direct Loan
North Carolina Turnpike Authority (NCTA)	I-77 HOT Lanes (Charlotte and Mecklenburg County, NC)	FY 2011 (03/01/2011)	\$180	\$57	31%	Direct Loan
North Carolina Turnpike Authority (NCTA)	Mid-Currituck Bridge (Currituck Sound, NC)	FY 2011 (03/01/2011)	\$629	\$200	32%	Direct Loan
North Carolina Turnpike Authority (NCTA)	Monroe Connector (Mecklenburg County, NC)	FY 2011 (03/01/2011)	\$749	\$242	32%	Direct Loan



**FY 2011 TIFIA Letters of Interest Submitted  
Amounts in Millions of Dollars**

Potential Applicant	Project Name	Date Received	Estimated Project Cost	TIFIA Request	Percent of Total	Type of Instrument
North Texas Tollway Authority	SH 121: Southwest Parkway/Chisholm Trail (Dallas - Fort Worth Area, TX)	FY 2011 (03/01/2011)	\$1,628	\$422	26%	Direct Loan
Riverside County Transportation Commission (RCTC)	SR 91 (Riverside and Orange Counties, CA)	FY 2011 (03/01/2011)	\$1,338	\$446	33%	Direct Loan
Safetek Systems	Safetek Systems (Indianapolis, IN)	FY 2011 (03/01/2011)	\$14	\$14	100%	Direct Loan or Line of Credit
San Diego Association of Governments (SANDAG)	Olay Mesa (Olay Mesa, CA)	FY 2011 (03/01/2011)	\$715	\$240	34%	Direct Loan
Santa Clara Valley Transportation Authority	US 101/SR 85 (Silicon Valley, CA)	FY 2011 (03/01/2011)	\$597	\$197	33%	Direct Loan
Texas Department of Transportation (TxDOT)	IH 35E (Dallas and Denton Counties, TX)	FY 2011 (03/01/2011)	\$2,467	\$800	32%	Direct Loan

**FY 2011 TIFIA Letters of Interest Submitted  
Amounts in Millions of Dollars**

Potential Applicant	Project Name	Date Received	Estimated Project Cost	TIFIA Request	Percent of Total	Type of Instrument
Texas Transportation Commission	Interstate 35W: NTE Segments 3a and 3b (Tarrant County, TX)	FY 2011 (03/01/2011)	\$1,355	\$537	40%	Direct Loan
Transurban (Flour SPV)	Interstate 95 HOT/HOV (Fairfax County, VA)	FY 2011 (03/01/2011)	\$1,050	\$350	33%	Direct Loan
Virginia Department of Transportation (VDOT)	Route 460 (Hampton Roads, VA)	FY 2011 (03/01/2011)	\$2,200	\$650	30%	Direct Loan
Washington State Department of Transportation (WSDOT)	SR 520 Bridge Replacement (King County, WA)	FY 2011 (03/01/2011)	\$2,705	\$320	12%	Direct Loan
<b>Totals</b>			\$48,195	\$14,016		

### Planned U.S. Highway Projects with Potential TIFIA Funding

The following chart identifies major highway and bridge projects that will likely apply for TIFIA funds over the next three years. This is not a comprehensive list, but merely a preliminary survey of potential highway and bridge project TIFIA applicants.

PROJECTS	ESTIMATED COST	EST. TIFIA APP. YEAR	WEBSITE
West by Northwest Toll Project (Phase 1)– Georgia DOT	\$1.1 Billion	2011	
West by Northwest (Phase 2)	\$1.3 Billion	2012	
285 Top End – Georgia DOT	\$975 Million	2012	
Knik Arm Crossing – Knik Arm (Alaska) Bridge and Toll Authority	\$700 Million	2012	
I-710 South – LA Metro		2011	
I-710 North – LA Metro	\$2.377 – 2.875 Billion	2012	
SR 91 Trolled Lanes Extension – Riverside County (California ) Transportation Commission	\$1.19 Billion	2011	<a href="http://www.rctc.org/downloads/SR91_Additional_Project_Documentation.pdf">http://www.rctc.org/downloads/SR91_Additional_Project_Documentation.pdf</a>
I-15 – Riverside County (California) Transportation Commission	\$1.7 Billion	2014	
International Bridge Trade Corridor – Hidalgo County (Texas Regional Mobility Authority)	\$156 Million	2011	<a href="http://rctc.org/interstate15.asp">http://rctc.org/interstate15.asp</a>
Mid-Currituck Bridge– North Carolina Turnpike Authority	\$659 Million	2012-2013	
Detroit River International Crossing – Michigan DOT	\$2.2 Billion	2012-2013	<a href="http://www.partnershipborderstudy.com/">http://www.partnershipborderstudy.com/</a>
North Tarrant Express Managed Lanes, Segments 3A/3B – Texas DOT	\$1.4 Billion	2011	
Southwest Parkway/Chisholm Trail – North Texas Tollway Authority/Texas DOT	\$1.7 Billion	2011	<a href="http://www.txdot.gov/project_information/projects/fort_worth/southwest_parkway/default.htm">http://www.txdot.gov/project_information/projects/fort_worth/southwest_parkway/default.htm</a>
I-35E Managed Lanes – Texas DOT	\$4.4 Billion	2012	<a href="http://www.txdot.gov/about_us/commitment/2010_meetings/documents/minute_orders/jun23/2.pdf">http://www.txdot.gov/about_us/commitment/2010_meetings/documents/minute_orders/jun23/2.pdf</a>
SH 99 (Grand Parkway) – Texas DOT	\$5.3 Billion	2012	

PROJECTS	ESTIMATED COST	EST. TIFIA APP. YEAR	WEBSITE
US 183 Managed Lanes (Austin) – Texas DOT/RMA	\$340 Million	2012	<a href="http://www.dot.state.tx.us/dal/mis/s183stage2/summary.htm">http://www.dot.state.tx.us/dal/mis/s183stage2/summary.htm</a>
SH 114 (Dallas) – Texas DOT/NTTA	\$762 Million	2011	
SH 183 (Dallas) – Texas DOT/NTTA	\$1.5+ Billion	2011	
Hempstead/US 290 Managed Lanes – Texas DOT/RMA	\$1.04 Billion	2012	<a href="http://www.westhouston.org/us_290.htm">http://www.westhouston.org/us_290.htm</a>
SH 249 Toll Lanes – Texas DOT/RMA	\$266 Million	2012	<a href="http://www.sunset.state.tx.us/81s/reports/txdot/appentf.pdf">http://www.sunset.state.tx.us/81s/reports/txdot/appentf.pdf</a>
SH 40/FM 2818(Bryan) – Texas DOT/RMA	\$311.6 Million		
Driscoll Relief Route (Corpus Christi) – Texas DOT/RMA	\$60 Million		
Rivera Relief Route (Corpus Christi) – Texas DOT/RMA	\$55 Million		
Loop 375 (Cesar Chavez) (El Paso) – Texas DOT/RMA	\$100.3 Million	2010	
IH 10 (West) (El Paso) – Texas DOT/RMA	\$182.8 Million	2010	
Northeast Parkway (El Paso) – Texas DOT/RMA	\$226 Million		
Cuatro Vientos (Laredo) – Texas DOT/RMA	\$80 Million		<a href="http://ortiz.house.gov/files/Online%20FY%202011%20TRANSPORATION%20requests.pdf">http://ortiz.house.gov/files/Online%20FY%202011%20TRANSPORATION%20requests.pdf</a>
Second San Padre Island Causeway (Pharr) – Texas DOT/RMA	\$200 Million		<a href="http://www.brownsvilleherald.com/articles/project-116081-toll-big.html">http://www.brownsvilleherald.com/articles/project-116081-toll-big.html</a>
Brownsville West Loop Parkway (Pharr) – Texas DOT/RMA	\$160 Million	2011	
281 Connector (Pharr) – Texas DOT/RMA	\$1.73 Million	2012	
Midtown Tunnel – Virginia DOT	\$1.3 to \$2.2 Billion	2011	
460 – Virginia DOT	\$1.5 Billion	2011	
Scudder Falls Bridge Replacement Project – Delaware River Joint Toll Bridge Commission	\$310 Million	2012-2013	
Jacksonville Outer Coastal Beltway – Florida DOT	\$750 Million	2012-2013	<a href="http://www.fdotfirstcoastouterbeltway.com/documents.asp">http://www.fdotfirstcoastouterbeltway.com/documents.asp</a>
Louisville-Southern Indiana Ohio River Bridges Project – Indiana/Kentucky Bridge Authority	\$4.1 Billion	2011/2012	<a href="http://www.bridgesauthority.com/">http://www.bridgesauthority.com/</a>
Tappan Zee Bridge Replacement Project – New York State Thruway Authority	\$16 Billion	2012	<a href="http://www.tzbsite.com/">http://www.tzbsite.com/</a>
Columbia River Crossing – Washington DOT/Oregon DOT	\$2.6 to 3.6 Billion	2012/2013	<a href="http://www.columbiarivercrossing.org">http://www.columbiarivercrossing.org</a>

PROJECTS	ESTIMATED COST	EST. TIFIA APP. YEAR	WEBSITE
Express Lanes Master Plan (San Francisco Bay Area) Metropolitan Transportation Commission	\$3.7 Billion	2012	<a href="http://www.mtc.ca.gov/planning/2035_plan/FINAL/6_Appendix_1-Projects_Final.pdf">http://www.mtc.ca.gov/planning/2035_plan/FINAL/6_Appendix_1-Projects_Final.pdf</a>
Kosciuszko Bridge Replacement - New York State DOT	\$1 Billion	2014	<a href="https://www.nysdot.gov/display/bridge-projects/kbridge">https://www.nysdot.gov/display/bridge-projects/kbridge</a>
Robert Moses Causeway and patron Island Bridge Replacement - New York State DOT	\$250 Million	2013	
SR 241 - Orange County and San Diego County, CA	\$1.2 Billion	2013	
Buffalo Harbor Bridge - Erie Canal Harbor Corporation	\$100 Million	2013	<a href="http://www.buffaloharborbridge.com">http://www.buffaloharborbridge.com</a>
I-95 HOT Lanes - Virginia DOT	\$1 Billion	2011	
I-15 Demonstration Project - Nevada DOT	\$750 Million	2012	
<b>TOTAL</b>	<b>\$64.73 Billion</b>		

U.S. House of Representatives  
Transportation and Infrastructure Committee  
Central Florida Field Hearing:  
*Improving And Reforming Our Nation's Surface Transportation Programs*  
Statement of:  
Mr. Richard P. Lawless  
President and CEO, U.S.-Japan High-Speed Rail, LLC (USJHSR)  
CEO, U.S.-Japan Maglev, LLC (USJMAGLEV)  
March 14, 2011

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Chairman Mica, Congressman Rahall, Members of the Committee:

Thank you for the opportunity to testify today on the topic of improving and reforming our nation's surface transportation programs. My testimony will focus on the high-speed passenger rail sector. Specifically, I would like to discuss the evolution of high-speed rail in Japan, offer some observations on current high-speed rail policies and programs in the United States, and provide my recommendations on the best way forward.

For the past two years, my company has been working with Central Japan Railway Company (JRC) to evaluate potential markets for high-speed rail in the United States. As you may know, JRC owns and operates the *Tokaido Shinkansen*, the world's first and busiest high-speed rail line, which connects Japan's primary urban and commercial centers from Tokyo to Osaka. Since its commissioning in 1964, the *Tokaido Shinkansen* has evolved into the world's most successful high-speed rail corridor. It is my considered opinion that high-speed rail can absolutely succeed in the United States as well. However, in order for that to happen it is imperative that we adopt the correct policies from the outset. Please, allow me to share with you some background on the history of rail operations in Japan in general and JRC specifically that will help illustrate my point.

For about the first two decades of its existence, Japan's high-speed rail was wholly owned and operated by a government owned corporation, Japan National Railway. By the mid-1980s, it became increasingly evident that the Japan National Railway model was dysfunctional. Bureaucratic mismanagement and political meddling conspired to drive the industry into an unsustainable financial position. Against powerful objections, the government finally concluded that privatization offered the only avenue to reverse high-speed rail's decline. Therefore, the Government of Japan divided its national rail network into privately-owned regional networks, and in 1987, JRC was established to assume the operation of the *Tokaido Shinkansen* line. In assuming this role, JRC accepted the majority of the former Japan National Railway's high-speed rail related

liabilities, some \$60B<sup>1</sup>. This amount of liability represented an amount nearly double the then-current repurchase value of the *Tokaido Shinkansen* line itself. Yet, JRC has successfully been reducing this inherited debt ever since.

Indeed, through a series of corporate reforms and adoption of sound business practices, JRC restored the economic standing of the *Tokaido Shinkansen*, and diversified its portfolio to include real estate, merchandising, and other services related to its rail enterprise. After 10 years, JRC was publicly traded on the Tokyo, Nagoya, Osaka, and Kyoto stock exchanges. In 2006, the Government of Japan sold all of its common stock in JRC, formally signaling the end of any public involvement in the company.

Today, JRC is an entirely private entity with an enviable balance sheet by any measure. In Japan fiscal year (JFY) 2009, JRC generated nearly \$16B in annual operating revenue, with over \$11B of this coming from transportation revenue and with a net income of nearly \$1B. For JRC's investors, this translated into a return on equity of 8.7% in JFY 2009, an outstanding performance for any transportation company.

Not only is JRC able to cover its operating expenses without any public subsidies, it is sufficiently profitable to pay dividends to its investors, pay down its long-term debt, and invest funds back into the company for future growth. Indeed, JRC recently announced plans to invest roughly \$60B to build a new high-speed line to reduce congestion on the *Tokaido Shinkansen*. This line will take advantage of cutting-edge, super-conducting magnetic levitation technology (SCMAGLEV), which operates at a top speed of 361 miles per hour. JRC will bear the entire cost of this \$60B investment without recourse to any government funding.

The core of JRC's success is of course due to the exceptional level of service of the *Tokaido Shinkansen*. Allow me to share a few examples:

- In JFY 2009, nearly 138 million passengers rode the *Tokaido Shinkansen*. That equates to an average 323 trains per day and 13 trains per hour.
- JRC's trains on the *Tokaido Shinkansen* have an amazing accuracy record. In fact, the average annual delay per train is only 30 seconds.
- Throughout its entire operating history, JRC has never experienced a single train accident-related passenger fatality on the *Tokaido Shinkansen*.
- In terms of technology, JRC operates three generations of high-speed rolling stock on the corridor, the newest of which is the N700 "Bullet Train." Through continuous research and development, JRC has optimized the performance of the N700 thoroughly— it is now one of the fastest, most comfortable, and most environmentally friendly train systems in the world.

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<sup>1</sup> The amount of liability assumed by JRC was 5.0956 Trillion Yen, or approximately \$60B at a conversion rate of 84 Yen/\$.

A crucial aspect of the *Tokaido Shinkansen's* success was that it was planned and constructed as an entirely dedicated, grade-separated corridor, for the exclusive use of high-speed rail systems. That is to say: the *Tokaido Shinkansen* operates with absolutely no co-mingling with freight or conventional passenger rail systems. Unfortunately, this critical strategic issue seems to be overlooked in the high-speed rail debate in the U.S. Two concepts in particular have achieved considerable momentum here, both of which fundamentally undermine the principals and advantages of dedicated high-speed rail systems.

The first is the idea of a "National High-Speed Rail Network," which Secretary LaHood defines as a network of high-speed lines that will connect 80% of the American population. The second is the concept of "interoperability." These phrases sound quite positive. After all, extending the benefits of high-speed rail to the majority of the U.S. population seems to be very attractive. So is the idea of interoperability – ensuring that trains around the country can run on the same tracks and take passengers as far as they need or want to travel. However, the reality is both concepts are fundamentally flawed and illogical. If we want high-speed rail to succeed in America – and I certainly am one who does – then we need to have an honest debate on our basic policy approaches and ask ourselves some hard questions.

*Can we realistically expect that a nationwide network as proposed by DoT and others would attract sufficient ridership to justify the cost?* According to the Administration's own "Vision for High-Speed Rail in America," express high-speed rail is best suited for city pairs that are between 200 to 600 miles apart, with moderate to high population densities. Looking at population densities throughout the country, it is immediately clear that people are generally clustered in regions: for example, the Northeast Corridor, the Chicago-hub, and parts of Florida, Texas, and California. So while there is a reasonable case for high-speed rail as a regionalized transportation solution, there is scant economic basis for supposing that it can serve as a national transportation solution. Put another way, a traveler will very likely be incentivized to take a high-speed train from Miami to Orlando. He or she will not, however, be incentivized to ride a train from Miami to Washington, DC.

*Who would operate this nationwide rail network?* If there is an insufficient business case for a high-speed rail line from Miami to Washington DC, for example, then the private sector will be unwilling to assume the ridership risk on this and other similar routes. The only alternative would be for massive public subsidies for operations and maintenance, or outright government ownership. In our current fiscal condition, this is an economic luxury the nation can ill-afford. The private sector, though, can and will be willing to take risk on routes that make business sense.

*What does a "National High-Speed Rail Network" really imply for the technology that we are contemplating?* In some ways, this is the most important question of all. Can we really operate the world's most cutting-edge, proven technologies on a "National



High-Speed Rail Network"? My assessment is that we cannot. The only way to create such a network would be to require that high-speed trains be "interoperable." While most people assume that "interoperability" means that an N700-I could run on the same tracks as an AGV or a Zefiro or a Velaro, it does mean that, of course. However, in the Federal Railway Administration's conception, it implies that high-speed trains must be able to operate on the same tracks as freight and conventional passenger trains. This proposition raises a multitude of problems.

High-speed trains are finely tuned systems that have been optimized over decades, at a cost of millions of dollars in research and development. However, in order to run high-speed trains on conventional tracks, all high-speed rail car manufacturers, not just the Japanese, would have to drastically redesign their cars. These changes then begin to affect braking systems, suspension, and so forth. These changes add weight, which in turn impacts speed, acceleration, and energy efficiency – the hallmarks of true high-speed rail. Furthermore, when high-speed trains must operate on freight and conventional lines, operating schedules are quickly compromised, train reliability decreases, and maintenance costs increase dramatically. Anyone that has ridden the Northeast Corridor lately can attest to this.

Just last month the world's major high-speed rail car-builders came together to submit a joint industry declaration to the FRA in which they specifically stated that, "the benefits of true high-speed rail could be seriously compromised with the specification of interoperability." I would urge both FRA and this Committee to consider carefully the implications of this statement by the very companies that are being asked to risk their reputations, credibility and capital on these U.S. high-speed rail projects.

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I would like to conclude by providing some recommendations, drawn for the Japanese experience, that I believe would help ensure high-speed rail succeeds in this country.

First: High-speed rail should be a predominantly private sector undertaking. I acknowledge that there is an important role for public-private partnerships in which a portion of the capital cost, particularly that related to the right of way, may be borne by the public sector. However, it must be clearly shown that ridership will yield sufficient revenues to cover operations and maintenance. Furthermore the private sector partner have maximum latitude and full authority to determine the most appropriate operating schedules, fares, business practices, labor policies, etc.

Second: Policy-makers, other opinion leaders, and the general public must recognize that in a country as large as the United States high-speed rail is a regional – not a national – transportation solution. High-speed rail systems should be constructed to connect urban centers that are between 200 and 600 miles apart. It does not make sense

is to design a “network” that doesn’t complement other forms of transportation, most importantly air travel.

Third: Instead of “interoperability,” we should focus on “interconnections” between different modes of transportation. That means that we need to seamlessly integrate airplane, automobile, intra-city rail, local transit system, and high-speed rail travel.

Finally: We need to appreciate the fact that transportation challenges in different operating environments demand different technological and policy solutions. As the industry has already noted, there cannot be a “one-size-fits-all” high-speed rail standard in this country.

Thank you very much for your time and consideration. I look forward to your questions.

**Statement for the Record**  
**House Committee on Transportation & Infrastructure**  
**“Improving and Reforming our Nation’s Surface Transportation Programs:**  
**Central Florida Hearing”**  
**March 14, 2011**

The undersigned organizations appreciate the opportunity to submit this statement for the record to express our priorities for the reauthorization of the surface transportation bill.

Transportation provides access to opportunity for millions of people, and thus, the bill has the potential to serve as a key component in addressing poverty, unemployment, and equal opportunity goals. As organizations that represent persons of color, women, children, individuals with disabilities, gays and lesbians, older adults, labor unions, major religious groups, civil libertarians, and human rights organizations, we are committed to ensuring that transportation investments are equitably targeted to the people and places that need them the most.

Our transportation policy has the potential to expand economic opportunity for low-income individuals by connecting them to jobs and providing job training to underrepresented workers in highway construction, transit, and rail projects. It also has the potential to exacerbate some communities’ isolation from jobs and resources. At a time of high unemployment and unprecedented income inequality, equity in transportation policy is one of the most pressing civil and human rights issues our nation faces.

We believe that equal access to affordable transportation is a fundamental civil right and that several core principles must be adhered to in federal transportation policy. First, federal policy must create affordable, available, and accessible transportation options for everyone, regardless of income, race, age, disability, background, or ZIP code. Second, transportation policy must create, protect, and ensure equal employment opportunities in the transportation industry. Third, federal transportation investments must promote healthy, safe, and inclusive communities with housing opportunities for families of all incomes. Fourth, equity requires that decisions regarding the public dollars invested in transportation must be made by bodies that represent all constituents equally. Finally, there must be strengthened civil rights enforcement to ensure access to transportation, as well as prevent disproportionate negative impacts on disadvantaged communities.

The federal surface transportation program is an important and essential source of funding for providing safe and reliable transportation service and improving the Sunshine State’s highway and bridge conditions while ensuring fair access to quality jobs and contracting opportunities.

**Transportation and Florida**

Florida is the fourth largest state, with a population of almost 19 million people, and it has one of the largest transportation systems to manage in the nation. Florida’s transportation relies on several modal options. The state’s first commuter rail system has operated in Southeast Florida for more than two decades, and 28 agencies operate urban fixed route transit systems. The 2003 creation of Florida’s Strategic Intermodal System, brought together the state’s most significant

airports, spaceports, seaports, waterways, railways, passenger and freight terminals, and highways into an integrated system.<sup>1</sup> Today, as Florida struggles to emerge from the most severe economic recession in decades, the role of transportation in shaping Florida's economic future is more significant than ever. Florida's transportation system should adapt once again to keep pace with its changing communities and economy. The transportation system should support the development of livable communities by enhancing connectivity and accessibility among the places people live, work, and spend their free time. An equitable transportation system should meet rising household expectations for accessibility, affordability, safety, security, efficiency, and reliability in a way that preserves Florida's rich environment.

#### **Transportation Equity Fosters Employment Growth and Promotes Equal Job Opportunity**

According to the Brookings Institution, by 2006, 45 percent of jobs in our 98 largest metro areas were located more than 10 miles from the urban core.<sup>2</sup> While jobs are increasingly moving to suburbs and remote exurbs, affordable transportation options to and within these areas have not increased at the same pace. As a result, many lower-income and minority people living in rural communities, small towns and urban areas are often isolated from job opportunities.

Most of the outlying areas where an increasing percentage of American jobs are located are reachable only by car. This disproportionately harms people of color: 19 percent of African Americans and 13.7 percent of Latinos lack access to automobiles, compared with 4.6 percent of Whites.<sup>3</sup> Lack of public transportation also impedes efforts to reduce poverty—three out of five jobs that are suitable for welfare-to-work participants are not accessible by public transportation.<sup>4</sup>

Our next major federal investment in surface transportation will create hundreds of thousands of jobs in the transportation sector. States with diverse public transportation options have better job growth and economic development. By improving the state's transportation network, Congress can help create good paying and much needed jobs. Investments in transportation can and will create jobs and stimulate the economy. Improving upon the multi-modal transportation system in Florida would retain and attract the jobs and businesses the state needs. The Florida Department of Transportation has expressed the need to develop Florida's Intermodal System to focus on enhancing the mobility of people instead of focusing on developing specific modes of transportation, such as highways, railroads, airports, seaports, and mass transit.<sup>5</sup>

As Florida seeks to rebound from the economic downturn, making needed improvements to the

<sup>1</sup> 2060 Florida Transportation Plan, Horizon 2060, at <http://2060ftp.org>.

<sup>2</sup> Elizabeth Kneebone, "Job Sprawl Revisited: The Changing Geography of Metropolitan Employment," Metropolitan Policy Program at Brookings, April 2009, at [http://www.brookings.edu/~media/Files/rc/reports/2009/0406\\_job\\_sprawl\\_kneebone/20090406\\_jobsprawl\\_kneebone.pdf](http://www.brookings.edu/~media/Files/rc/reports/2009/0406_job_sprawl_kneebone/20090406_jobsprawl_kneebone.pdf).

<sup>3</sup> Brookings Institution and UC-Berkeley. "Socioeconomic Differences in Household Automobile Ownership Rates" at <http://gsppi.berkeley.edu/faculty/sraphael/berubedeakenraphael.pdf>.

<sup>4</sup> Surface Transportation Policy Project, "Transportation and Poverty Alleviation" at <http://www.transact.org/library/factsheets/poverty.asp> referring to study by the Volpe Institute.

<sup>5</sup> The Florida Legislature's Office of Program Policy Analysis and Government Accountability, last updated 5/4/10 at <http://www.opaga.state.fl.us/profiles/6045>.

state's surface transportation system will create jobs in the short term and stimulate long-term economic growth as a result of enhanced mobility and access. As of December 2010, the state's overall unemployment rate was 11.1 percent, while the African-American unemployment rate was a staggering 16.7 percent and the Hispanic unemployment rate was 13.6 percent.<sup>6</sup> The employment rate for people with disabilities in Florida, compared to people without disabilities, reflects an equally abysmal status. While 80 percent of non-institutionalized working-age adults (ages 21 to 64) are employed, the employment rate is only 36.6 percent for people with disabilities.<sup>7</sup> Job losses in the construction industry, which would include construction in the transportation sector, have accounted for over a third of the overall unemployment in Florida. This continues to be an impediment to Florida's economic recovery.<sup>8</sup> Given the level of unemployment and high poverty levels, the next transportation bill should ensure fair access to all Floridians—regardless of race, gender, income, disability—to quality jobs, workforce development, and contracting opportunities in the transportation industry. The public transportation industry in Florida employs tens of thousands of Floridians, transports about 262 million riders a year, and creates billions of dollars per year in annual economic activity.<sup>9</sup> We support initiatives that will bring jobs and economic recovery to Central Florida region and the entire state of Florida.

#### **Transportation Equity Requires Affordable, Available, and Accessible Transportation Options**

Our civil rights laws bar employers, federal, state, and local governments and public accommodations from discriminating in access to health care, employment opportunities, housing, education, and voting (among others). Although our laws promise to open doors to opportunity, this is a hollow promise for people who are physically isolated from jobs, schools, stores that sell healthy food, and health care providers. As our metropolitan areas have expanded and jobs and services have become more diffuse, equal opportunity depends upon equal access to affordable transportation.

Transportation investment to date has produced an inhospitable landscape for low-income people, people with disabilities, and the elderly. People of color are disproportionately disadvantaged by the current state of transportation. The cost of car ownership, underinvestment in public transportation, and a paucity of pedestrian-friendly and bicycle-accessible thoroughfares have isolated low-income people and struggling families from jobs and services. Programs like Florida's transportation disadvantaged program, which aims to ensure the availability of safe, efficient, cost-effective, and quality transportation services for those who because of physical or mental disability, income status, or age are unable to transport themselves or to purchase transportation are dependent upon others to obtain access to health care,

<sup>6</sup> U.S. Bureau of Labor Statistics, Florida Employment Status by Race, <http://www.bls.gov/lau/ptable14full2010.pdf>, at 38.

<sup>7</sup> Erickson, W. Lee, C., & von Schrader, S. (2010). 2008 Disability Status Report: Florida. Ithaca, NY: Cornell University Rehabilitation Research and Training Center on Disability Demographics and Statistics. At <http://www.ilr.cornell.edu/edi/disabilitystatistics/reports/report.cfm?fips=2039000&subButton=Get+HTML#emp-state>.

<sup>8</sup> Florida Transportation Commission Review Framework <http://www.bettertransportation.org/DOTReview/ReviewTemplate.pdf>.

<sup>9</sup> <http://floridatransit.org/docs/FPTANewsRelease-GasPrices.pdf>.

employment, education, shopping, social activities, or other life-sustaining activities should continue to provide services to Florida residents.<sup>10</sup> Public transportation provides a sound return on investment by spurring economic activity, enhancing nearby real estate values, by creating jobs for Floridians and getting them to and from work.

For this reason, our transportation policy should expand and improve access to people for whom the cost of car ownership is prohibitive and for those who may depend on public transportation, including older adults, people with disabilities, people in rural areas, and low-income people. New highways exacerbate transportation inequities by extending the gaps between housing and jobs. An equity agenda should favor fixing existing infrastructures and incentivizing fill-in development in metro areas.

For Floridians in areas far from an urban core, a vehicle is the only practical, workable solution. Jobs, housing, services, and health care facilities in outlying areas are seldom centralized. Lack of access to affordable and reliable transportation has been cited as one of the biggest hurdles to finding and keeping a job, particularly for individuals with limited income, single parents, and others transitioning to work.<sup>11</sup> Because of the cost of car ownership, some Floridians cannot afford to purchase or maintain a car. The Job Access and Reverse Commute (JARC) program addresses this barrier by providing funds to support the development of new transportation services that fill gaps in existing services, or the promotion of transportation use to employment and related destinations.<sup>12</sup> The JARC program seeks “to improve access to transportation services to employment and employment related activities for welfare recipients and eligible low-income individuals and to transport residents of urbanized areas and nonurbanized areas to suburban employment opportunities.”<sup>13</sup>

The New Freedom program was designed “to provide additional tools to overcome existing barriers facing Americans with disabilities seeking integration into the work force and full participation in society.”<sup>14</sup> We support the goal of the JARC and New Freedom programs of improving access to transportation services to employment and employment-related activities for Temporary Assistance for Needy Families recipients and eligible low-income individuals in rural and urban areas. JARC and the New Freedom programs should be fully funded in the next transportation bill, so that Florida can continue to use funds to, among other things, assist low-income individuals to gain access to employment opportunities through such solutions as car loan and purchase programs.

Providing more choices for where Floridians can live requires more effective transportation options. In many urban areas, residents have few choices for traveling to jobs, schools, shopping, or community resources. Many rural areas may not be sustainable in their current form

<sup>10</sup> Florida Commission for the Transportation Disadvantaged. <http://www.dot.state.fl.us/ctd/>

<sup>11</sup> Community Transportation Association. Employment Transportation Briefs: A Guide to Job Access and Reverse Commute Programs, [http://web1.ctaa.org/webmodules/webarticles/articlefiles/A\\_Guide\\_to\\_JARC.pdf](http://web1.ctaa.org/webmodules/webarticles/articlefiles/A_Guide_to_JARC.pdf)

<sup>12</sup> *Id.*

<sup>13</sup> U.S. Department of Transportation, Federal Transit Administration, FTA Circular 9050.1: The Job Access and Reverse Commute (JARC) Program Guidance and Application Instructions, May 1, 2007, II-1.

<sup>14</sup> U.S. Department of Transportation, Federal Transit Administration, FTA Circular 9045.1: The New Freedom Program Guidance and Application Instructions, May 1, 2007, II-1.

due to limited economic opportunities and poor connectivity to employment centers or markets in surrounding regions. Transportation investments should support sustainable development patterns as envisioned by the residents of each state.<sup>15</sup>

Where public transportation exists, it does not always take people where they need to go. More creative solutions are needed in rural areas as well, where more than half of all bus riders located in rural parts of the state are people with disabilities,<sup>16</sup> or senior citizens who need access to education, employment, and healthcare.<sup>17</sup> Florida should strengthen its public transportation system, maximize the use of grant-funded transportation programs, and improve accessibility and availability in public transportation.

#### **Transportation Equity Promotes Healthy Communities**

Transportation decisions contribute to economic and racial segregation in our metro areas. Emphasis on one-use highways (without sidewalks, bicycle access, or rapid bus routes) contributes to this segregation and severely restricts housing choices for people with disabilities, low-income people, and the elderly. When a community is car-dependent, those who cannot afford automobiles or lack the ability to drive cannot live there even if housing is affordable.

Public transportation creates healthier communities, ultimately reducing air pollution, which disproportionately affects low-income neighborhoods and communities of color, encouraging people to walk more, and increasing access to jobs. Several parts of Florida are at risk of not meeting changing federal air quality standards, partly the result of mobile emissions from transportation sources. Transportation accounted for about 36 percent of greenhouse gas emissions statewide based on recent estimates, second only to the energy sector.<sup>18</sup> Automobile travel is one of Florida's most expensive public health issues.<sup>19</sup> Traffic accidents are the leading cause of fatalities and expensive emergency health costs among many groups of Floridians. Promoting healthy and safe communities should be a priority in the upcoming surface transportation bill.

#### **Transportation Equity Requires Equitable Decision-Making Power**

Our transportation policy has been made by bodies that do not represent all constituents equally.<sup>20</sup> A more equitable transit system is only possible if low-income people, people of color, and people with disabilities have meaningful representation in local decision-making bodies such as metropolitan planning organizations. Everyone should have a seat at the table when transportation policy is developed and funds are spent.

<sup>15</sup> 2060 Florida Transportation Plan

<sup>16</sup> See Association of Programs for Rural Independent Living: Transportation Act Reauthorization Position Statement: Rural Transportation for People with Disabilities. Jan. 2010. Lack of public transportation is one of the most serious, persistent problems reported by people with disabilities who live in rural America. The next surface transportation authorization bill should require and assist public transportation systems to meet the minimum access requirements stipulated in the Americans with Disabilities Act.

<sup>17</sup> *Id.*

<sup>18</sup> 2060 Florida Transportation Plan, Horizon 2060, <http://2060ftp.org>

<sup>19</sup> [http://www.floridatransit.org/docs/FPTA%20Fact%20Sheets\\_Quality%20of%20Life.pdf](http://www.floridatransit.org/docs/FPTA%20Fact%20Sheets_Quality%20of%20Life.pdf)

<sup>20</sup> Thomas W. Sanchez "An Inherent Bias? Geographic and Racial-Ethnic Patterns of Metropolitan Planning Organization Boards". Accessed from: [http://www.brookings.edu/reports/2006/01transportation\\_sanchez.aspx](http://www.brookings.edu/reports/2006/01transportation_sanchez.aspx)

**Transportation Equity Requires Meaningful Civil Rights Protections**

Our laws purport to level the playing field, but our transportation choices have effectively barred millions of people from getting across it. Traditional nondiscrimination protections do not protect the person for whom opportunities are literally out of reach.

To combat the structural discrimination in transportation that excludes communities of color, people with disabilities, and low-income populations from an equitable share of transportation investments, federal statutory reform and vigorous enforcement of existing provisions are needed. Enforcing civil rights protections to ensure fair and equitable access to the benefits of our transportation system and prevent disproportionate negative impacts on disadvantaged communities is a priority for civil and human rights organizations.

Transportation policy has always played a central role in the struggle for civil and human rights. Practical access to transportation helps ensure access to good schools and housing, basic services like health care, and the acquisition of job skills and employment opportunities. Conversely, the absence of affordable, available, and accessible transit threatens the civil rights of millions of Americans. Past investment has disproportionately benefitted people in outlying areas, leaving many low-income Americans out of reach of jobs, and forcing others to exhaust their budgets on transportation at the expense of other needs such as health care, housing, food, and education.

We urge you to support transportation investments that focus on equity. We look forward to working with you and your staff in crafting a bill that addresses the needs of all communities.

\*\*\*

Amalgamated Transit Union Local 1596  
Normand Audet, President/BA  
Orlando, Florida

Central Florida Jobs with Justice  
Denise Diaz, Director  
Orlando, Florida

Central Florida Urban League  
Allie Braswell, President & CEO  
Orlando, Florida

Miami Workers Center  
Gihan Perera, Executive Director  
Miami, Florida

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PolicyLink  
Angela Glover Blackwell, Founder and CEO

The Leadership Conference on Civil and Human Rights  
Wade Henderson, President and CEO



Transport Workers Union of America, AFL-CIO  
Portia Reddick White, Director of Legislative and Political Affairs



March 28, 2011

Representative John Mica  
 Chairman, Committee on Transportation and Infrastructure  
 U.S. House of Representatives  
 Rayburn House Office Building, Room 2165  
 Washington, DC 20515

Dear Chairman Mica:

Thank you for providing this opportunity to contribute to the record for the Joint Field Hearing on Improving and Reforming our Nation's Surface Transportation Programs to Support Job Creation and the Economy.

To meet the nation's and State's need for mobility during tough economic times, governments must work harder than ever to make the most of every tax dollar spent. With fewer federal transportation dollars available, active transportation (walking and bicycling) investments stand out because they can be completed at low cost, are highly popular in the home district and significantly improve mobility. Trails, in particular, are key components in local visions for redevelopment and increased tourism. Our concern is that these programs may be dismantled or seriously damaged if Congress adopts a 'blunt' approach to budget cutting.

Bicycle and pedestrian investments are an extremely cost-effective way to manage most short trips of three miles or less that make up nearly half of the trips taken in America. We cannot afford for capital spending to pull in different directions, so federal transportation expenditures that create multiple benefits should be prioritized. Active transportation furthers mobility goals (greater safety, less congestion, better use of transit services) at the same time that it creates jobs and vital economies and reduces pollution and oil dependence. Unfortunately, Florida continues to dominate pedestrian and bicycle fatalities.

In particular, increased investment in trails, bicycling and walking means:

- **Balance:** A recent national poll found that nearly three quarters of Americans feel they "have no choice but to drive as much as" they do, and two-thirds "would like more transportation options." Federal investment in active transportation provides greater travel choices for the public. Safe and convenient bicycling and walking facilities also enable us to make the most of public transportation investments by effectively increasing service areas and reducing travel times to transit services.
- **Jobs:** Design, engineering and construction of walking and bicycling facilities such as trails creates more good jobs per dollar than do other transportation projects, while keeping the profits closer to home. A recent study found that bike, pedestrian and trail projects create double the

number of jobs of typical roadway projects; please see

[http://www.bikeleague.org/resources/reports/pdfs/baltimore\\_Dec20.pdf](http://www.bikeleague.org/resources/reports/pdfs/baltimore_Dec20.pdf).

- Local economic development: Trail and bicycling networks are a boon to local economies, resulting in increased tourism, property values and business activity. The West Orange, Little Econ and Cady Way trails in Orange County supported 516 jobs and an estimated economic impact of \$42.6 million in 2010 (East Central Florida Regional Planning Council).
- Positive returns for federal budget: Active transportation investments save the federal government money by reducing the need to build more expensive transportation infrastructure, cutting federal health care costs, creating jobs and increasing productivity. Florida's state trails and the Cross Florida Greenway, mostly developed with federal funds, had the highest annual visitation ever in 2009 with over 4 million visitors, generating an estimated economic impact of \$95 million.
- Reduced oil dependence: Automobiles are responsible for 40% of U.S. oil use. Cutting miles driven—and reduced congestion with fewer cars on the road—is among the best ways to manage our oil-related economic, environmental and security vulnerabilities. Shifting short trips to bicycling and walking could save 4 to 10 billion gallons of fuel each year.
- Human health: Active transportation integrates increased physical activity into daily routines, the best way to ensure that more Americans meet the Surgeon General's recommendations for physical activity. The resulting reduction in obesity and other diseases associated with inactivity could save billions of dollars in health care costs each year.

Relatively modest federal investments in active transportation can leverage other resources to help realize these benefits. Core federal programs that deliver these benefits include Transportation Enhancements (TE), Safe Route to Schools, and the Recreational Trails Program. Continuation of these programs-- with TE as a mandatory set-aside within the Surface Transportation Program-- is critical to the success of and public support for a new transportation bill, particularly in Florida. The region that includes Seminole, Volusia, Putnam and St. Johns County has as much trail activity as any other district in the Nation and should deserve the ability to receive federal funding.

Sincerely,

Ken Bryan, Florida Director  
Rails-to-Trails Conservancy



P.O. Box 916715  
Longwood FL 32791-6715  
Phone: 850-238-5328  
[www.floridabicycle.org](http://www.floridabicycle.org)

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Better bicycling  
means a better Florida



#### Written Statement of

Timothy Bustos, Sr. on behalf of the Florida Bicycle Association  
Prepared on March 28, 2010

for the

Field Hearing of the House Committee on Transportation and Infrastructure  
In Maitland Florida, Held on March 14, 2010  
Chairman Mica, Ranking Member

First of all, I would like to thank Chairman Mica, and all of the members of the Committee on Transportation and Infrastructure for taking the time to visit the different regions around the country to gather information regarding priorities for transportation policy in the U.S. It is only through gathering information such as this, and getting feedback from *all* transportation user groups that we can develop fair and equitable transportation policies for all Americans.

As a transportation planner for almost 30 years, I have come to understand that our role as professionals is to move *people*, not just cars and trucks, but the people that drive, people that walk and ride bicycles, and people that ride transit. It is also our mission to provide for the transportation disadvantaged – those individuals that cannot drive either through physical infirmity, or because of adverse economic conditions. Nearly one third of all Americans cannot actually drive motor vehicles, either because they are too young, too old, or simply do not have the means. As gasoline prices approach four dollars per gallon, the number of Americans that can no longer afford to drive is steadily increasing. However, for those that do choose to walk or ride a bike, the threat level these individuals experience is staggering. Even though the state of Florida has some of the best conditions for cycling in the country, due to relatively flat terrain and temperate climate, we also have one of the highest per capita fatality rates in the nation as a result of bicycle crashes. Many of these avoidable crashes happen simply because most people do not have safe places to ride.

Additionally, I would like to address comments made by Assistant Secretary Prasad of the Florida Department of Transportation (FDOT). Among other things, Mr. Prasad stated that “We must give serious consideration to whether—when resources and dollars are at a premium—spending money on sidewalks, bike trails, beautification, and other projects like this is the most prudent use of taxpayer money.” I cannot stress enough that this statement does not accurately reflect the views of all Floridians. For reasons stated above, it is when “resources and dollars are at a premium” that we should be focusing our efforts on the types of transportation facilities that are the most cost effective, are the least expensive to build, and serve a broader cross section of society.

I want to thank you again for considering my comments, and I hope you will take the needs of all road users into consideration when developing policies and priorities for the transportation authorization bill of 2011.

**MARCH 14, 2011**  
**U.S. HOUSE OF REPRESENTATIVES**  
**COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**

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**“CENTRAL FLORIDA CONGRESSIONAL HEARING ON  
MAJOR TRANSPORTATION BILL”**

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**WRITTEN TESTIMONY OF**  
**THE HONORABLE ANNE CASTRO, CITY COMMISSIONER**  
**CITY OF DANIA BEACH, FLORIDA**

---

I would like to take this opportunity to thank you Chairman Mica, Ranking Member Rahall, and Congresswoman Brown for accepting this written testimony on my behalf. It is an honor for me to provide input on matters of concern to me, and my constituents, which can possibly be rectified by possible language inserted into the upcoming Transportation Reauthorization Bill.

My name is Anne Castro, and I have the privilege of serving the City of Dania Beach for more than five years and have served as Mayor, Vice-Mayor and Commissioner. I have also served on the Broward County Planning Council for over four years and was recently appointed to the Broward County Climate Task Force. I wanted to take this opportunity to express my concerns of a matter which is critical to the growth of small municipalities such as Dania Beach.

Chairman Mica, currently small cities, typically with a population under 50,000 (non-entitlement), have a difficult time in securing funds (State and federal) for transportation and infrastructure projects (road, highway, bridges). As you may know, such cities have to rely on their local Metropolitan Planning Organization (MPO) to schedule and distribute Department of Transportation (DOT) funding. This is a major concern to me because the transportation modernization and expansion needs of smaller cities may be as great as larger municipalities.

The MPO's are structured to ensure that larger cities have the majority of seats on the Committee. This arrangement does not allow small entities to have adequate representation on the Committee.

For instance, the City of Dania Beach is situated parallel to Fort Lauderdale International Airport, which is one of the largest seaports on the east coast (Port Everglades). However, we cannot secure sufficient and adequate monies for road construction, bridge replacement, and other transportation projects in dire need in the region of Florida.

The City has an alternate seat on the MPO and as such, all of the "transportation hubs" which are used to identify projects to be funded are located predominately in the larger more powerful cities at the County level. While some of our neighboring cities received in excess of five of these hubs, Dania Beach received none.

Furthermore, when Dania Beach officials applied for funding at the State level, we were referred to the MPO. In addition, when Dania Beach Officials solicited funds from the United States Department of Transportation, we were redirected to the State DOT.

Chairman Mica and Committee Members, I believe there needs to be a change on how federal funds are allocated to small municipalities such as Dania Beach.

I respectfully request the Committee to accept the following language to be included as provisions in the next Highway Reauthorization Bill, which can assist entities such as Dania Beach secure federal funding for much needed transportation and infrastructure projects:

1. Allows small, non-entitlement cities, to apply directly to USDOT for funding of projects which has impact federal highways, national transportation facilities (airports/seaports).
2. Provide that MPO's memberships must allow full representation for all municipalities in their jurisdiction; and if projects are available, proportional funding of all projects.
3. Provide special process for bridge projects that apply to inland navigational projects that affects multiple jurisdictions.

Chairman Mica, Ranking Member Rahall, and Congresswoman Brown, thank you again for allowing me the opportunity submit this testimony to your Committee. The fair and equal distribution of federal funds for transportation and infrastructure projects are essential to meeting the modernization and growth needs of Florida.

# LOCUS



**Smart Growth America**  
Making Neighborhoods Great Together

Richard Baron,  
President,  
McCormack Baron Salazar

Cathy Crenshaw,  
President and CEO,  
Sloss Real Estate

Tom Darden,  
Managing Director,  
Cherokee Investment Partners

Robert Davis,  
Founder, Seaside, FL and  
Partner, Arcadia Land  
Company

Bernie Glibberman,  
President,  
Crosswinds Communities

Pres Kabacoff,  
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Jonathan Rose Companies

Marilyn Taylor,  
Dean, University of  
Pennsylvania School of Design

Brenna S. Walraven,  
Managing Director,  
USAA Real Estate Company

**Written Testimony Submitted for the Record by Robert  
Davis, Founder of Seaside, FL and Partner of Arcadia  
Land; and Steering Committee Member of LOCUS –  
Responsible Real Estate Developers**

**Transportation and Infrastructure Committee Field  
Hearing in Maitland, FL**

**March 14, 2011**

Chairman Mica, and Ranking Member Nahall, on behalf of LOCUS – Responsible Real Estate Developers and Investors, I am pleased to submit written testimony about the transportation re-authorization bill. Our coalition is a broad group of real estate developers and investors who advocate for sustainable, walkable development in our towns and communities. We believe that smart investments in transportation are critical to development and the health of the national economy.

As a Floridian real estate developer, I have seen first hand the direct impact that walkable neighborhoods like Seaside, Seagrove, Grayton Beach, Rosemary Beach, Watercolor and Alys Beach have on the level of economic development and land value in our community, but I have seen numerous instances where taxpayers' money was squandered on roads which rapidly became choked with traffic due to poor planning..

In places like Arlington, Virginia, however, I've seen high-value, walkable neighborhoods developed around metro stops. New investments in metro systems, streetcars, bus rapid transit and even highway interchanges should, in the future, be made in conjunction with new, higher-value, walkable neighborhood development.

Members of LOCUS strongly urge members of the Transportation and Infrastructure Committee to include the following policy recommendations that would positively affect the real estate development community and spark economic



growth from a sector of the economy that represents over 35% of the country's assets, the largest assets class in the economy.

**1. Live within our means: Better planning equals greater economic development.**

As developers, we understand that "transportation drives development": the transportation system a society chooses to build dictates the kind of real estate development it builds. Since the 1950s, the country's transportation policy has in fact mandated one kind of transportation system and therefore one kind of development, drivable suburban development, which is what the market wanted in the mid to late-20th century. However, all across America, the market has shifted, resulting in an overproduction of drivable suburban development, which has been a significant catalyst of the recent financial meltdown.

Around the country, real estate developers and investors are seeing a pent-up demand and market shift toward walkable neighborhoods and sustainable developments. However, poor transportation and land use planning and policies on the Federal, state, and local levels interfere with the real estate development community's ability to create a stronger economic recovery and a cleaner, more sustainable future.

In an environment where Congress is contemplating a 6-year bill that is the only slightly bigger than what many in the transportation community believe is an annual need, LOCUS believes it is critical that the next transportation reauthorization require better strategic planning and increased accountability, and reduce the Federal subsidies for poor land use and transportation investment decisions.

Today, states and regions develop 20-year long range transportation plans to guide transportation investments and meet future development needs. Point-in-time predictions are made about how and where development will occur. However, development patterns change over time due to market demands, while transportation plans remain largely unchanged.

When a business develops a plan to expand they do not just look at where to add more stores – they do strategic planning that considers other factors like the actions of competitors, future supply chain demands, and potential economic and market trends.

The new transportation bill should empower regional and community stakeholders to plan and build the multi-modal transportation systems that are appropriate for their state or metropolitan economy through a "strategic planning" process that looks at several scenarios for future travel demand and transportation investments, and then selects a scenario based on what best meets the needs of the community after considering factors like congestion, cost of infrastructure and pollution.

By implementing strategic plans, our communities can have less traffic and lower taxes. They can find innovative ways to do more with less, while reducing the pressure for the Federal government to raise additional revenues. Diverse communities across the country – Nashville, Tennessee, Salt Lake City, Utah and Charlottesville, Virginia – have found ways to realize significant cost savings through this type of planning. Strategic planning equips our communities with the information they need to make smarter decisions about transportation spending and future economic development.

## **2. Engage the private sector and provide Federal credit enhancement for transportation improvements**

During the 19th and early 20th centuries, American highways and transit systems were partially or entirely funded by the private sector, especially real estate developers.

Developers financed these transportation improvements out of the land development profits generated from these very transportation improvements. Today, we call this approach “value capture”.

Value capture, either private sector or public sector (tax-increment financing), should be encouraged in the transportation bill to help bridge the substantial funding gap between federal and state resources and the cost of required transportation improvements.

Relying upon future private land development profits or increased public tax revenues made possible by the transportation improvements will put discipline into underwriting transportation investments while raising the desperately needed funds for construction.

It will also put the real estate development industry into the decision-making process since they will be committing financial resources. What is needed is partial federal credit enhancement for the construction bonds, since most local government or transportation agencies have limited access to the bond market for such large projects, especially today.

We urge the Transportation and Infrastructure Committee to consider these recommendations to the current draft bill. The real estate development and investor members of LOCUS believe that these recommendations can save Americans money and engage the private sector to create long-term and sustainable economic growth while building a 21st century transportation system. We look forward to working with you and your Committee to implement these recommendations into the transportation re-authorization bill.

A handwritten signature in black ink, appearing to read 'R. Davis', with a stylized flourish at the end.

Robert Davis  
Steering Committee Member, LOCUS  
Founder, Seaside, FL  
Partner, Arcadia Land Company

JNCAC

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## Jacksonville National Cemetery Advisory Committee

March 11, 2011

Congress John Mica  
Chairman, U.S. House Transportation Committee  
Congress of the United States  
Washington, D.C. 20315

Re: New Road from I95 to the Jacksonville National Cemetery

Dear Congressman John Mica,

Our Jacksonville National Cemetery is coming into its own each day that passes. We are coming closer to the opening of the Phase 1B which encompasses our permanent facilities and structures. At this time we are looking forward to Memorial Day Ceremony honoring our beloved veterans. We continue to work hard as a committee to meet our goals that will make Jacksonville National Cemetery one of the finest in the country. We are moving forward with two very important projects and they are the new road from I95 and the Jacksonville Veterans Memorial Center. Both play a very important role in the beauty and functionality of our National Cemetery.

The present entrance to our Jacksonville National Cemetery from I95 is a winding two lane road that is 22 miles in length. We are limited and can't hold any large ceremonies because of the unsafe conditions that exist. Funerals are conducted five days a week and sometimes as many as up to 14 per day. With the larger ceremonies the road is sometimes blocked with cars that are lined up. This creates an unsafe condition especially if emergency vehicles need to utilize the road. There is no place to pull off to allow passage.

We have not been able to advertise the National Cemetery because of the above stated condition. Most of our veterans do not know where their National Cemetery is located. Our new road proposal will correct this issue.

The Florida Department of Transportation received \$800,000.00 for a new road study for the Jacksonville National Cemetery in July 2010 and they commenced with their study. The Jacksonville National Cemetery Advisory Committee submitted a proposal for a new road coming from I95 exiting off Pecan Park overpass onto Pecan Park road which is a black topped road. The black topped road terminates at a dirt road called Arnold road and heads west through barren land owned by Mr. Tony Sleiman. The new road proposal would run through Mr. Sleiman's westward property line then turn north. It would then run the borderline of St. John Water Management land for 2000 feet. From there it runs directly into the Jacksonville National Cemetery. The total length is 3.55 miles.

The Department of Transportation has completed their study of the new road and its direction. An estimate for the new road has been sent to Washington D.C. Both the D.O.T. and St. Johns Water Management have been very cooperative and feel that this is a very workable deal.

Please find enclosed a cost estimate along with a map indicating the road direction to our Jacksonville National Cemetery. We as a committee are asking you Mr. Chairman and your committee to give this matter your kind attention.

Yours through veterans,



Daniel V. Hughes  
Chairman, J.V.N.C.A.C.

**Jacksonville National Cemetery  
Advisory Committee**

02/16/2011 06:24

FDOT

PAGE 01

**Henderson, Bill**

**From:** Henderson, Bill  
**Sent:** Wednesday, February 16, 2011 3:10 PM  
**To:** Dan Hughes  
**Cc:** Anderson, David; Knight, James  
**Subject:** R&R Cemetery Road Cost Estimates

Mr. Hughes:

The following is our cost estimates at this time.

We have made several assumptions:

- 2 lane rural road for 3.55 miles.
- We will need approximately 80 acres of new right-of-way, not sure what will be donated and what we will have to buy.
- Worst Case if we had to buy all the right-of-way would be approximately \$1,000,000.00.

With these assumptions, our costs are:

Construction: \$12,000,000  
 Construction Inspection: \$1,200,000  
 Design: \$1,000,000  
 Wetland Mitigation: \$4,000,000  
 Current R/W estimate \$1,000,000

Total \$19.2 Million

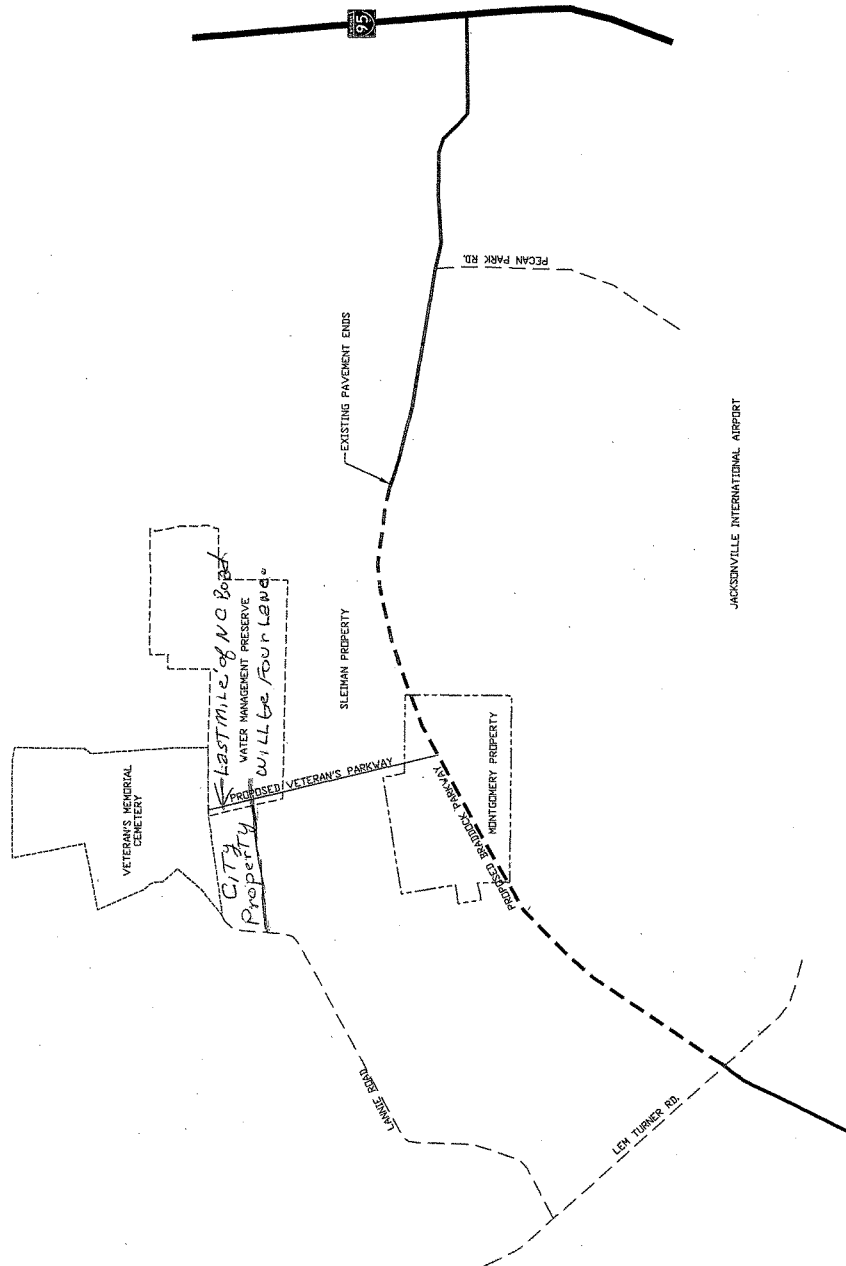
These are Planning Level Estimates.

These are 2011 costs. May increase due to inflation in the future.

Let us know if you need information from us or you have information to give us.

Thanks,

Bill Henderson  
 District Planning and Environmental Manager  
 Florida Department of Transportation  
 1109 South Marion Avenue  
 Lake City, Florida 32025











**WRITTEN STATEMENT OF**  
**Darla Letourneau, on behalf of BikeWalkLee**  
**FOR THE**  
**Field Hearing of the House Committee on Transportation and Infrastructure**  
**In Maitland, FL**  
**March 27, 2011**

Chairman Mica, Ranking Member Rahall, Rep. Brown and other members of the Committee.

Thank you for coming to Maitland on March 14<sup>th</sup> for your field hearing on the surface transportation reauthorization. Our organization -- a community coalition in Lee County, Florida, raising public awareness and advocating for complete streets and a more balanced transportation system -- believes that the next federal surface transportation bill needs to reflect a vision of a balanced multi-modal transportation system. A balanced multi-modal system includes safe, well-maintained, and efficient highway, rail, public transportation, bicycling, and pedestrian systems. Over the past 20 years, federal transportation legislation has moved incrementally in the direction of a more balanced system. It is essential that this year's reauthorization move boldly forward in the direction of transforming our national transportation system to meet the challenges of America in the 21<sup>st</sup> century. The nation is truly at a crossroads. We can either continue building a costly, outdated, and, oil-dependent transportation system, or we can move forward.

We applaud the remarks made by the Honorable Frank Bruno, Volusia County Council Chair, in his written statement. Chairman Bruno spoke about how carefully the county analyzed every expenditure and project for savings, while also moving forward on critical infrastructure projects. Chairman Bruno identified one reason for the county's success as investing in pedestrian and bicycle facilities to ensure that all residents are able to safely get around. He also recognized that providing individuals with broader transportation choices reduces demand and expensive maintenance on highways and roads.

We also wish to respond to the remarks made by Assistant Secretary Prasad of the Florida Department of Transportation (FDOT), who questioned investing in sidewalks and bike infrastructure. As Chairman Bruno reinforced, investing in bicycling and walking makes good economic sense given the low cost of these projects relative to their ability to reduce traffic congestion and positively influence safety and health. On behalf of all the people who bicycle and walk in Florida, we urge you to recognize the national importance of accommodating safe bicycling and walking by including these programs in the surface transportation reauthorization.

BikeWalkLee supports a bold vision for a 21<sup>st</sup> century transportation system at the national, state and local level—a balanced, multi-modal system that invests in public transportation, safe places to walk and bicycle, and land use policies that reduce travel demand by locating more affordable housing near jobs and services. Public transit, pedestrian, and bicycling facilities are at the core of providing transportation access and choice. These transportation modes are not “frills” or somehow not federal responsibilities. They are all part of one integrated national transportation system that provides safe mobility and connectivity to get people where they want to go. Bicycling and walking are transportation solutions and are directly linked to successful transit programs, since every transit trip begins on foot. Bicycling and walking are popular, practical, and money-saving ways for Americans to complete short trips.

The safety of all transportation users has been and should continue to be a major responsibility of the national transportation system. Nationally, 13% of all roadway fatalities are pedestrians and cyclists, while in FL, that percentage is 22%. Clearly, the national transportation system must establish programs to address these safety issues and should establish performance targets to hold state and local transportation agencies accountable for reducing these roadway fatalities. According to the 2009 national report, "Dangerous by Design," (a joint effort of the Surface Transportation Policy Partnership and Transportation for America), there is an epidemic of preventable pedestrian deaths (76,000 Americans in 15 years). An overwhelming proportion have occurred along roadways that were dangerous by design—streets that were engineered for speeding cars and made little or no provision for people on foot, in wheelchairs or on a bicycle. Addressing these safety concerns must be a high priority of the next transportation bill. For much of a decade, Florida has been the most dangerous state in the country for both pedestrians and cyclists and it is critical that the next legislation provide the tools (and the accountability) to ensure that Florida and other states do something to eliminate these preventable deaths on our roads.

BikeWalkLee's vision of a balanced multi-modal transportation system is not just an abstract wish; we have been busy working with our elected officials and other community partners to put our county on the path of realizing this vision. We are especially proud of our Lee County elected officials, both at the Lee Metropolitan Planning Organization (MPO) and the Lee County Board of County Commissioners (BoCC). Both organizations have shown strong support for complete streets and a more balanced multi-modal transportation system by requiring bike/ped/transit accommodations in all road projects. County officials also have provided funding for stand-alone bike/ped projects as part of the ARRA funds and the annual FDOT work plan. As a result, our county has been recognized at the national and statewide level for its leadership and accomplishments in making Lee County a more bike/pedestrian/transit-friendly community. Just this week, Lee County commissioners were named the "Elected Officials of the Year" by the Florida Bicycle Association. Singled out in the FBA honor was the county's recently adopted Evaluation and Appraisal Report, an exhaustive review of the county's land use policies. It is a visionary plan with a focus on sustainability and a blueprint for changes in land use that will promote walkable/bikeable and transit-accessible neighborhoods, with complete streets concepts integrated into every component of this plan.

It is important that the federal transportation legislation provide our local elected officials with the tools and support they need to continue on the path to a balanced multi-modal transportation system that is vital to the sustainability and economic viability of our community and this country. Lee County's MPO recent long range transportation plan identified the need to establish a comprehensive transit system to meet the projected transportation needs in our community. Transit infrastructure is necessary not only to our county's future, but to the economic vitality of Florida. Federal financial assistance will be essential to our ability to move in this direction. In addition, continued federal funding for bicycling and walking facilities can assist the county in offering cost-effective options to help mitigate national problems such as transportation dependence on oil, and help hard-pressed county families lower their transportation costs, stay healthy and active, and at the same time serve those that do not bike or walk by lowering congestion.

Like Chairman Bruno, our elected officials understand the importance to the economic viability of our community of investing in pedestrian and bicycle facilities as part of a transportation system that provides people choices. Research shows that people want to live and work in walkable communities, where people of all ages, abilities or mode of transportation feel safe and welcome on the roadways. One study in Lake Worth, Florida, found that people were willing to pay \$20,000 more for homes in pedestrian-friendly communities. As we try to attract businesses to our area or retain the ones we have, it is important to provide this quality of life feature.

I would like to focus my specific remarks on two federal programs that are critical to our local effort-- Transportation Enhancements and the Safe Routes to School programs—and demonstrate the economic value of these investments.

### **Transportation Enhancements**

Nationally, the federal investment in bicycling and walking infrastructure and programs is minimal—only about 1.5 percent of federal transportation spending. This small investment supports 12 percent of transportation trips made by bicycling and walking. The federal transportation dollars that support these activities boost our economy, help families and government agencies save money, and address many of the concerns our transportation system is struggling with now, including congestion and safety.

#### **Economic Benefits:**

##### **Investments in bicycle & pedestrian facilities boost the state and local economy.**

Investing in bicycling and walking infrastructure is first and foremost an economic development investment. One of Florida's primary economic engines is tourism, and bicycling and walking by tourists or by seasonal residents can bring great economic return to Florida with minimal investment. For example, in North Carolina the state got a 9:1 return on its investment in biking facilities in the Outer Banks that attracted thousands of new vacationers to enjoy these biking facilities.

As part of its upcoming countywide bike/ped master plan, Lee County sees great economic potential in promoting bicycling as part of an eco-tourism focus, which would boost our local, state and federal tax revenues and help struggling business owners. Two important trail projects -- the 10-Mile John Yarborough Linear Trail's much needed extension to the north; and the last link of the Winkler Canal shared use path that will create a complete streets loop in the City of Fort Myers -- are top priorities on the MPO's just approved Regional Transportation Enhancement priority list. Both of these crucial projects would be in jeopardy if the TE program were to be discontinued.

A study by the Outdoor Industry Association shows that the bicycling industry nationally supports 1.1 million jobs and brings in nearly \$18 billion in federal, state and local taxes each year. In Florida alone, there are more than 1,000 bicycle retailers and dealers, employing almost 5,000 Floridians, with gross revenues approaching \$400 million annually... and all these numbers are growing!

##### **Bicycling and walking are increasing and investments in infrastructure are cost-effective.**

In these times of fiscal constraint, we can only afford to fund programs that address multiple concerns. Bicycling and walking programs do just that. Currently, one of every 8 trips is taken by foot or by bike, and the use of these modes of transportation in America is on the rise, increasing 25 percent since 2001. Nationally, Americans will make more than 4 billion bike trips and 42 billion walking trips this year alone. More bicycles are sold annually than cars and trucks combined. Half of all trips Americans make are 3 miles or shorter, and one-quarter are less than a mile—easy distances for walking or bicycling, but only if conditions are safe. The Census reports that nationally, bike commuting increased over 40 percent between 2001 and 2008. In Lee County, there has been a steady increase in bike commuting. In 2009, bike commuting held steady at the national level, while it increased 18% in Florida and 20% in Lee County. Thus, the demand for this infrastructure is growing and will continue to grow in the future.

A recent study in Baltimore, MD, showed that pedestrian and bicycle construction projects generated nearly twice as many jobs per construction dollar as roadway construction. Given the high unemployment rates in Florida, this is an important consideration in cost-effective investments in job creation.

##### **Investments in bicycling and walking facilities help reduce government spending on roads.**

People who bicycle or walk instead of driving save money on every trip, reduce road congestion, and inflict minimal wear and tear on roads and bridges. Every trip made by bicycling or walking instead of using motor vehicle helps reduce government spending on road and parking infrastructure and maintenance.

**Freedom of Choice:****Investments in bicycling and walking facilities help families in hard economic times.**

Just as governments at all levels must balance their budgets, families must find ways to live within their means. As Floridians struggle to survive on limited incomes, they are choosing walking, bicycling, and transit as a transportation mode choice. The average American family spends 18 percent of its annual income on transportation. According to AAA's latest annual report (2010) on the cost of owning a car, it costs \$9,519 a year to operate a mid-size car, and that number is rising as the cost of a gallon of gas increases daily. With a Lee County median household income of \$50,863(2008), that's almost 19% of a family's income tasked to transportation if it's a one-car family and 38% in a two-car family. Lee County families need to have transportation choices (such as bicycling, walking, transit) so that they can lower their car operating costs to live within their means. Investing in bicycling and walking is a low-cost way to provide transportation alternatives for these families, either directly through federal projects or indirectly by supporting state and local efforts to develop viable transportation alternatives.

For many Americans, walking and bicycling is a necessity, as one-third of Americans don't own cars -- including children, the elderly, people with disabilities and low-income individuals. For example, in the City of Fort Myers, approximately 18% of households don't own cars. For them, transit, walking and bicycling options are a necessity.

**Sidewalks provide mobility & independence for seniors.**

Mobility for seniors is an important and growing concern in Florida, which has more than its share of retirees. Over 22% of Lee County's population is age 65 or over, and an estimated 30% of them do not drive. A 2008 AARP survey of its members showed that two-thirds of respondents were limiting their daily driving in order to save money, with 15 percent bicycling more. A majority of AARP members would bike, walk and use transit more if their neighborhoods were more accommodating. A recent survey of Florida residents found only 25 percent felt it was safe to walk along or to cross their nearest federal or state road, which tend to be the high-use, high-risk transit corridors in any community. Low-cost investments in walking and biking infrastructure can keep Florida seniors in their homes longer, giving them independence and saving government long-term care costs.

**Health:****Investments in bicycling and walking facilities are investments in more active lifestyles to combat obesity.**

Research shows that sedentary lifestyles are the primary factor in up to 200,000 deaths annually; with 64% of all Americans overweight and 1 in 3 are considered obese. In Lee County, 64% of adults and 32% of children are overweight or obese. An earlier estimate (Surgeon General, 2000) put the cost of obesity epidemic at \$117 billion in health-related expenses nationwide, with Florida's share estimated to be \$3.9 billion. A contributing factor to our increasing sedentary lifestyles is the auto-dependent community design which has contributed to this costly national problem. Investments in bicycling and walking facilities can bring the transportation system (and, perhaps, our waistlines) back into a healthier balance.

**Safety:****These investments save lives!**

Investments to improve the bicycling and walking infrastructure are especially important in Florida because our state ranks as the most dangerous state in the country for both pedestrians and cyclists (in terms of per capita fatalities). Pedestrians and bicyclists account for 13 percent of traffic fatalities nationwide, yet only 1 percent of federal safety funding is dedicated to prevent the 5,000 pedestrian and bicyclist fatalities that occur on our roadways every year. In Florida the statistics are much worse: 22 percent of all traffic fatalities are bike/ped (766 pedestrian and bicyclist fatalities), yet Florida invests very little of its safety funds to prevent these deaths. [See BWL report #2 below.] Improving the safety of our roadways for all users is important to providing transportation choices for our citizens, which will result in economic benefits and savings in terms of lives as well as reducing public health care costs.

In Lee County alone, the comprehensive cost (including both the economic costs and costs associated with the loss of quality of life) of the county's pedestrian and bicyclist fatalities and injuries is \$205 million. Clearly, the money saved by preventing these injuries and fatalities would more than offset any costs of improving the county's walking and biking infrastructure—which often can be done for a minimal cost if the needs of all users are included as part of the initial planning. [See BWL report #1 below.]

### **The Safe Routes to School Program**

The federal Safe Routes to School program is improving safety and increasing opportunities for children to safely walk and bicycle to schools, which reduces traffic congestion. Between FY2005 and FY2010, FDOT received just \$39 million total for Safe Routes to School. This is a tiny fraction of FDOT's overall transportation spending. Nationally, Safe Routes to School represents just 0.2 percent of the federal transportation budget.

Demand in Florida for this funding is so high that FDOT has programmed funding through FY2015, assuming that federal funding will continue. A total of 282 applicants are benefiting from approximately \$53 million—improving safety at more than 1,000 schools across the state. In Lee County, this program has provided funds for needed sidewalks in both the cities of Cape Coral and Fort Myers.

The Safe Routes to School program serves a unique purpose—improving safety around schools. Approximately one-third of children's traffic deaths occur when children are walking and bicycling and are struck by cars. Safe Routes to School is the only program focused on addressing this tragic reality. For example, simply adding a sidewalk reduces by half the risk that a pedestrian will be struck by a car. For each collision avoided, communities save money and tragedies are avoided. Last year, teenager Cameron Ford was killed while biking near Challenger Middle School in Cape Coral, which lacked sidewalks along the nearby road. Since this tragic death, the city has installed sidewalks near the school.

Safe Routes to School is also a smart use of federal dollars. Making a one-time, low-cost investment like adding a sidewalk can reduce long-term school busing costs by making it safer for kids to walk and bicycle to school, and ease financial burdens on schools struggling to absorb the rising price of gasoline into their budgets.

Finally, Safe Routes to School can help school systems create opportunities for children to be physically active. A lack of physical activity among children has fueled the childhood obesity epidemic, which has huge economic costs to America as more children develop diseases like Type II diabetes. Safe Routes to School infrastructure gets children moving, creating an opportunity for daily physical activity and improved health through self responsibility.

If the Safe Routes to School program were eliminated, communities across Florida would lose access to an important funding stream to address children's safety.

### **Recommendations:**

All of these benefits are only possible if the federal transportation bill invests in making bicycling and walking safe. The Transportation Enhancements and Safe Routes to School programs are a critical source of funding for bicycling and walking. Without these federal programs, it is unlikely that the FDOT would invest in the sidewalks, bike lanes, multi-use paths and other biking and walking infrastructure supported by these important programs thanks to the state's own economic difficulties and a long-term "cars first" culture emanating from Tallahassee.

Nationally, the total federal investment in bicycling and walking infrastructure and programs is minimal—only about 1.5 percent of federal transportation spending. This small investment is supporting 12 percent of transportation trips made by bicycling and walking. We ask that Congress continue this critical but modest investment in bicycling and walking and protect the structure of the Transportation Enhancements program, and retain the dedicated funding for the federal Safe Routes to School program.

We also urge Congress to incorporate the complete streets approach into the transportation bill. Complete streets policies simply require that the safety, interests, and convenience of all users be considered in the design and construction of transportation projects. Lee County's complete streets efforts have convinced us of the value of this approach and a federal complete streets policy would result in better state and local projects, and better use of the billions of dollars invested every year in road infrastructure. Recent USDOT policies in support of complete streets have greatly assisted our local efforts and they should be incorporated into the underlying transportation statutes.

Finally, as Congress works to improve and reform our nation's surface transportation programs, it is important that it find ways to improve the efficiency of implementation, push more decision-making down to the local level where the needs are best known, strip away the layers of bureaucratic red tape that have added unnecessary costs to transportation projects-- road projects and bike/ped facilities alike--and slowed the delivery of much-needed improvements.

Thank you again for this opportunity to submit testimony as you and your committee prepare to write the transportation authorization bill of 2011. We urge the House Transportation and Infrastructure Committee continue dedicated funding for Safe Routes to School and Transportation Enhancements in the next surface transportation bill authorization. These programs improve safety, create more jobs, and help create a thriving economy for America and a more sustainable future for its families and citizens.

**References to BikeWalkLee Reports:**

1. "Dangerous by Design: How safe are Lee County streets for pedestrians?" November 9, 2009:  
[http://www.bikewalklee.org/BWL/BWL\\_PDFs/BWL\\_facts/BWLPed%20report%20FINAL.pdf](http://www.bikewalklee.org/BWL/BWL_PDFs/BWL_facts/BWLPed%20report%20FINAL.pdf)
2. "Analysis of Florida's Highway Safety Programs, Pedestrian/Bicycle Safety Improvements and Recommendations for Action" February 22, 2010:  
[http://www.bikewalklee.org/BWL/BWL\\_PDFs/BWL\\_facts/BWLSafetyfundingFINAL100222.pdf](http://www.bikewalklee.org/BWL/BWL_PDFs/BWL_facts/BWLSafetyfundingFINAL100222.pdf)

For more information, see [www.BikeWalkLee.org](http://www.BikeWalkLee.org).

**RESTORING AMERICA'S INFRASTRUCTURE:  
COMPOSITE BRIDGE DECK TECHNOLOGY – AN APPROACH TO COST  
REDUCTION WHILE PROVIDING STIMULUS TO AN AILING AMERICAN  
INDUSTRY**

Restoration of America's ageing bridge system is an urgent priority. According to the Federal Highway Administration, over 150,000 bridges in the United States were classified as structurally deficient or functionally obsolete.

Total replacement of bridges is very expensive. The cost of the bridge is a big factor, but replacing bridges is also time consuming and may cause negative economic impact due to traffic disruptions. Composite technology presents America with an opportunity to rehabilitate existing bridges with potentially less time and less expense while simultaneously creating economic benefit.

Current bridge deck technology relies on reinforced concrete or steel bridge decks. The weight of these heavy bridge decks when combined with the live load frequently forces Federal and State Departments of Transportation to post restrictive truck weight load limitations on bridges. A principal advantage of composite materials is that they are lightweight. Bridge decks constructed of composite materials are far lighter than the traditional bridge decks.

For the past 30 years, researchers at Georgia Tech have recognized the opportunity to extend the life of existing bridges. They determined that replacing the heavy concrete or steel deck with a lightweight composite deck would yield enormous weight savings. With the composite decking, the weight of the bridge fully loaded with traffic would be lighter than the old bridge with no traffic at all. This weight savings may allow the underlying bridge structure to continue to serve.

Rather than replacing the entire bridge, it is proposed that removing the old bridge decking and replacing it with composite bridge deck modules saves time and cost. An advantage of the composite bridge deck modules is that the bridge decking can be manufactured in a factory, transported to the site, and quickly placed into position. The bridge is restored and open to traffic in a fraction of the time it would take to replace the bridge decking by conventional means.

In 1999, Georgia Tech engaged Structural Composites, Melbourne, FL, to fabricate and jointly field validate an optimized composite bridge deck module. Researchers at Georgia Tech determined the optimum configuration for the bridge deck. Structural Composites developed an environmentally friendly manufacturing method to produce the deck modules. Bridge deck modules were placed Nov. 11, 1999 in Troutville, Virginia, at a truck weigh station on Interstate 81. The modules were fully instrumented with fiber-optic sensors. Over 10,000 tractor-trailer trucks crossed the composite deck module every day for more than 3 1/2 years. This controlled experiment validated the concept and further helped Georgia Tech develop acceptance test specifications and guidelines for composite bridge decks.



PROVIDING STIMULUS TO AN AILING AMERICAN INDUSTRY.

A severe casualty of the downturn has been the recreational boating industry. The recreational boating industry is still largely US based. North America produces more recreational boats than any other continent and the vast majority of boats sold in North America are manufactured in the United States.

This recession has hit the recreational marine industry particularly hard due to tight credit and high fuel costs. Boat manufacturers are seeing demand reduced greater than 50% from just a year ago. The result has been massive layoffs, plant closures and bankruptcy filings. The outlook is for a prolonged downturn as Consumer Confidence declines and discretionary spending is curtailed.

Today, there are shuttered boat factories and an unemployed, highly skilled workforce that can manufacture composite bridge deck modules. Since, the Georgia Tech/Structural Composites bridge deck requires no special equipment to produce, boat manufacturing factories contain all the needed machinery and equipment. Workers are already skilled in producing large composites structures and will need minimal training, if any, to transition to producing composite bridge deck modules.

The Florida Institute of Technology, The National Marine Manufactures Association (NMMA), Structural Composites and the companies listed below ask for your help. We request assistance in the national deployment of composite bridge decks. We are "shovel ready"; we have a proven technology; and we have an industrial base throughout the country. This is American made materials, American manufacturing and American jobs doing the work that needs to be done.

Composite bridge decks will efficiently help America restore our infrastructure, create jobs to help restore our economy and maintain our composites manufacturing capability as a national resource.

Please contact Scott M. Lewit, President Structural Composites, Inc, 7705 Technology Drive, Melbourne, FL 32904. 321-252-4566. [slcwit@aol.com](http://slcwit@aol.com)

COMPANIES AND GROUPS SUPPORTING THIS EFFORT INCLUDE:

Lead- Florida Institute of Technology

Potential Builders of Bridge Decks

Better Way Products	Indiana
Boston Whaler Boats	Florida
Caravel Boats	Georgia
Correct Craft	Florida
Cobia Boats	Florida/North Carolina
Cabo Yachts	California
Grady White Boats	North Carolina
Harbor Technologies	Maine
Hatteras Yachts	North Carolina
Maverick Boats	Florida
Proline Boats	Florida
Pursuit Boats	Florida
Regal Boats	Florida
Sea Ray Boats	Florida, Tennessee
Seminole Boats	Georgia
Triton Boats	Tennessee
XC Associates	New York

Suppliers Supporting This Effort:

BASF Corporation	New Jersey
ColBond	North Carolina
Composite One	North Carolina (regional sites in many states)
Compsys, Inc	Florida

Engineering/Design Support

Eric Greene and Assoc	Maryland
Structural Composites, Inc	Florida
Mr. Jeff Pote	Florida

Trade Groups

National Marine Manufacturers Association

Bridge Experts and Composite Bridge Deck Pioneers

Mr. Jerome O'Connor  
 Sr. Program Officer for Transportation Research MCEER, University of Buffalo  
 Professor Abul-Hamid Zureick  
 Structural Engineering, Mechanics, and Materials School of Civil and  
 Environmental Engineering, Georgia Institute of Technology



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*Executive Director,*  
Peg McGarity

March 14, 2011

To HOUSE COMMITTEE ON TRANSPORTATION,

On behalf of our thousands of members across the state of Florida we thank you for your important work and encourage you to continue your work on providing public transportation options to our public. We believe this direction is essential to our next century's transportation future, enabling a sustainable means of living as our population increases. Importantly it will improve our national security as it helps us reduce our dependence on the mid east, and create far greater ENERGY INDEPENDENCE.

Please consider the following as you plan our nation's transportation future:

1. Emphasis on public transportation to create a more sustainable future
2. Intermodal transportation hubs and systems that interconnect between major cities to: REDUCE nhealthy emissions, provide a more COST EFFECTIVE OPTIONAL mode of transportation, help REDUCE OUR DEPENDENCY ON VOLATILE MIDDLE EAST.
3. More healthy living environments as future growth will increase around transportation corridors such as commuter and high speed rail, creating more healthy walking environments and preserving our greenspace, through the reduction of suburban sprawl.

Your work is essential to our nation's future!

Sincerely,

Deirdre Macnab,  
President, League of Women Voters of Florida

TREASURE COAST REGIONAL PLANNING COUNCIL  
INDIAN RIVER - ST. LUCIE - MARTIN - PALM BEACH

March 14, 2011

The Honorable John L. Mica, Chair  
U.S. House Committee on Transportation and Infrastructure  
2187 Rayburn House Office Building  
Washington, DC 20515

RE: 2011 Central Florida Field Hearing on Pending Transportation Bill

Dear Congressman Mica:

As you are aware, the nation's transportation system is a cornerstone component of the nation's economic vitality, competitiveness, and quality of life. The safe and efficient movement of people and goods across the country and around the world is critical for our economic recovery and continued economic expansion. However, U.S. transportation investments have been overly focused on roadways and interstates, with hundreds of billions of dollars spent on lane-miles, while under-investing in the nation's rail infrastructure. While the U.S. transportation network is dominated by asphalt, our international competitors have built broad multi-modal transportation networks that are highly focused on modern and efficient rail transportation. This has left the U.S. at a competitive disadvantage, highly vulnerable to fluctuations in oil costs and supplies, and losing millions of hours of productivity stuck in traffic.

The nation has an opportunity to modernize its transportation system with the pending transportation reauthorization bill. Instead of narrowly focusing on roadways, the bill should broaden its focus to create more choices, with multi-modal transportation, and expand the national investment in our deficient passenger rail networks. Passenger rail of all forms – commuter, intercity, and high-speed – will compel private investment around stations and along corridors, help contain urban sprawl and promote more efficient land use patterns, reinforce existing infrastructure investments, and help reduce reliance on foreign oil supplies.

In Florida and across the nation, there are significant opportunities to direct investments in passenger rail systems to improve efficiency and access. Florida's east coast is particularly deficient in its transportation choices. Although there is an existing rail corridor (the FEC) connecting the 350-mile segment from Jacksonville to Miami, the rail line carries only freight today, while the 8.3 million Floridians living along the corridor are restricted to Interstate 95 (recently identified as the most dangerous roadway in the nation). This is a prime example for intercity passenger transit on a rail corridor that parallels the roadway network. As part of the national passenger rail system, Amtrak service on this corridor would leverage national transportation investments to create access, yield economic development, and improve the multi-modal balance of the nation's transportation network. State of Florida estimates indicate intercity passenger service on the FEC corridor will leverage more than \$2 billion in land development over time with improved access. Amtrak service on the FEC would also be a job-generator, yielding 6,300 permanent jobs with only two round-trip trains per day.

*"Regionalism One Neighborhood At A Time" • Est. 1976*

421 SW Camden Avenue - Stuart, Florida 34994  
Phone (772) 221-4060 - Fax (772) 221-4067 - [www.tcrps.org](http://www.tcrps.org)

Page Two  
Congressman John. L. Mica  
March 14, 2011

As a member of the Treasure Coast Regional Planning Council, Martin County Commission, and incoming president of the Florida Association of Counties, we look forward to continued discussions by the U.S. House Committee on Transportation and Infrastructure towards an improved multi-modal transportation network for the nation. The Committee will play a significant role in shaping the nation's transportation and related land use trends for generations. We look forward to your leadership in ensuring the related investments will improve access, create more efficient land use patterns, and help generate long-lasting economic returns for Florida and the nation.

Respectfully yours,



Doug Smith, Commissioner  
Martin County Board of County Commissioners

*"Regionalism One Neighborhood At A Time" • Est. 1976*

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City of Orange City • 205 East Graves Avenue • Orange City, Florida 32763 • 386-775-5400

March 24, 2011

**Building**  
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**City Manager**  
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**Finance**  
386-775-5430

**Fire**  
386-775-5460

**Human Resources**  
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**Parks & Recreation**  
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**Planning**  
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**Police**  
386-775-9999

**Public Works**  
386-775-5447

**Utilities**  
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The Honorable John Mica & Committee Members  
Committee on Transportation and Infrastructure  
100 East Sybelia Avenue, Suite 340  
Maitland, FL 32751-4495

RE: Central Florida Field Hearing, March 14, 2011

Dear Representative Mica & Committee Members:

I recently attended the Transportation Committee public hearing in Maitland, Florida on Monday, March 14, 2011. I would like to commend the Committee for holding the hearings in several different locations throughout the United States and seeking input from citizens in a number of regions. The hearing drove home the difficult task you, and the other committee members, face in dealing with transportation issues throughout the nation. The hearing made me consider my own region's transportation system. I feel moved to offer some comments about the issues facing us in regard to transportation and the barriers to our state in developing a true multi-modal transportation system.

When it comes to transportation it seems that the mindset, especially at the state and local levels, seems to have been to build and maintain roadways. I believe we need to seek a better balance between building new roadways and developing alternative transportation systems. Personally, I believe high speed rail would have benefitted everyone in our state. I urge a multi-modal approach to transportation.

I recognize the importance of addressing the issues of the federal budget and the need to cut expenses. I believe that the federal government should play a major role in funding transportation nation-wide. All governmental entities regardless of size are facing budget constraints. Cutting and controlling expenses related to new road projects should be considered. Conversely, I believe that it is essential that our government preserve and maintain and complete the federal highway system created under the Eisenhower administration. It is this system that supports interstate commerce and the flow of goods. My fear is that without adequate federal funding the system will deteriorate and leave us economically disadvantaged.

At the State, County and local level, funds have been and are being severely slashed or eliminated. The designation of federal funding for transportation must be seen as a high priority for our national, state, regional, and local efforts at recovery. This also allows for consistent sets of policies and regulations that ensure that projects are identified, programmed and handled in the same manner.

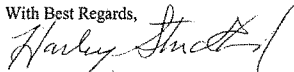
I also believe that flexibility and efficiency in the Transportation Planning Organization/Metropolitan Planning Organization (TPO/MPO) process needs to be greatly increased. The process seems to focus too much on capacity enhancements and lacks the flexibility to meet our ever changing needs. Being locked into the LRTP process affords no flexibility to adapt as needs change. Also, the monies cannot be used for operating other transit systems nor is the money available for local roadway maintenance. Greater flexibility can remove rigidity and eliminate "silos" thus strengthening the goal of a viable long range transportation plan. However, even the capacity enhancement projects seem to take an inordinately long time. The process to build a new road can take 15 years or more whether or not the road is currently needed or economically viable. Frequently, projects sit for periods of time in the study or design phase waiting for money to become available. Sometimes the federally required studies expire, forcing a new study to be undertaken costing valuable time and money; a lengthy and inefficient process at best.

Florida's population will continue to grow and we will need to significantly increase our densities and work to preserve open land areas. For me this means finding ways to become less dependent on cars as our primary mode of transportation. My own small city has moved in this direction supporting mix-used developments and multi-family housing projects. We are updating our mobility plan to reflect the need for a true multi-modal transportation system. However, being a small city we urgently request the federal government's support to make these necessary changes happen.

I appreciate the time and service you have given to our region and hope that my comments are helpful and will be considered as you move forward through the Transportation Bill process. If possible I would like this letter included as part of the public record of the hearing in Maitland.

If I can be of any assistance to you in the future please let me know.

With Best Regards,



Harley Strickland, Mayor  
City of Orange City

**U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**

***Improving and Reforming Our Nation's Surface Transportation Programs:  
Orlando, Florida - Field Hearing***

**Testimony of Joel Volinski  
Director  
National Center for Transit Research  
University of South Florida**

**Monday, March 14, 2011  
9:30am  
Maitland Civic Center – Maitland, Florida**

**Specific Topic:**

**The Importance of University Transportation Centers  
for America's Economy and Mobility**

Good morning Chairman Mica, Ranking Member Rahall, and Members of the Committee. I am Joel Volinski, representing the National Center for Transit Research at the University of South Florida, where I serve as the Director. Thank you for holding this hearing in Florida and for the opportunity for me to provide insight about the great importance of the University Transportation Centers program in addressing solutions to America's mobility challenges.

The National Center for Transit Research (NCTR) is a University Transportation Center (UTC) initially established under the 1991 ISTEA legislation and reauthorized under TEA-21 and again under SAFETEA-LU. NCTR is funded by Congress through the US Department of Transportation's Research and Innovative Technology Administration (RITA), with matching funds from the Florida Department of Transportation. The USDOT selected NCTR as a Tier I University Transportation Center following national competitions in both 2002 and 2006.

There are over 60 University Transportation Centers throughout the United States. These UTCs are affiliated with approximately 120 universities across the nation located in 49 of the 50 states and support over a thousand professors and researchers and nearly ten thousand students each year with fellowships as well as educational and research experience. The UTC program's mission is threefold: (1) to conduct essential research to enhance our nation's transportation system; (2) to prepare the next generation of transportation professionals through education and research opportunities; and (3) to disseminate the results of our research to ensure it gets into the hands of those who will be able to implement positive changes for better movement of people



and goods. Each UTC has a unique theme that guides its research and educational initiatives. Collaboration among universities is encouraged, and processes are in place to help avoid any duplication among universities.

The National Center for Transit Research, part of the Center for Urban Transportation Research at USF, is one of the few UTCs that focuses its efforts on enhancing the performance of public transportation and alternative forms of transportation. Since 1999, NCTR has produced over 100 peer-reviewed reports that have helped transit agencies reduce costs, increase ridership, and improve safety. All of our reports are available to download from our website at no cost. Our federal grant has also allowed us to create and manage listservs that link thousands of transportation professionals from all over the country who routinely share information and ideas for the betterment of all transit systems in Florida and the United States. The UTC program allows us to produce free webinars on a regular basis, as well as journals on public transportation that are read by people from over 50 nations. The research we do is practical and applied, resulting in information that is of immediate use to operating agencies. The Florida Department of Transportation provides a full cash match to the \$925,000 federal grant we receive annually, and manages all the research projects that we undertake. This helps ensure that the research will result in assisting the operating agencies in Florida, though the results have equal value in other states as well.

The research completed at NCTR that has been funded through the UTC program has resulted in a very long list of projects that have improved safety and operational efficiencies. A project entitled "Toolbox for Transit Event Investigation" developed software that allows transit agencies to track and analyze the conditions that contribute to all accidents to help drivers avoid such accidents in the future and train personnel accordingly. Transit agencies across Florida and the nation have adopted this software, saving agencies millions of dollars in liability over time. A project entitled "Developing a Technique that Predicts the Impacts of Transportation Demand Management on a Transportation System" proves how very low cost programs such as telecommuting, flextime, and ridesharing have reduced highway congestion by up to 20% during peak hours. The tools developed in this project have been adopted by MPOs and states throughout the country, helping to guide programmatic investment decisions at the local level. Field testing conducted through NCTR is showing the great advantages of side view cameras to eliminate blind spots for bus drivers, while other tests have shown the value of using certain LED lights on the backs of buses to assist them in re-entering traffic safely from pull out bays. The State of Colorado passed legislation requiring vehicles to Yield to the Bus based on NCTR's report. NCTR's "Guidebook for Startup Transit Agencies" has been distributed by the FHWA's Local Transportation Assistance Program whose manager stated the report was an excellent resource and distributed it through LTAP's 58 nation-wide centers (all 50 states, Puerto Rico, and 7 tribal centers). The projects listed above are just a

few of the many, many examples of NCTR research that result in information that can be implemented immediately to the benefit of everyone that uses our transportation system. This expertise now also helps to inform the Federal Transit Administration which contracts with USF for assistance in developing and sharing technical information on Bus Rapid Transit service.

The best research is of limited value if it is not effectively shared with those who can best implement the findings. Results of our research are shared through our website, which is the second-most visited website in the world for those seeking "transit research" on Google. Ideas for transportation improvements are also shared through listservs that NCTR manages that connect over 5,000 professionals throughout the country and the world. Research conducted at NCTR is also summarized through free webinars made possible by the UTC grant. These webinars are viewed by hundreds of transportation professionals every two weeks. Results of research done by NCTR are presented at least 40 times per year at professional conferences, and NCTR faculty have been entrusted to be the program managers of transit professional development conferences in Florida. Our faculty have leadership roles on numerous professional committees and associations throughout the state and nation, in large part due to the research funded through the UTC program.

The federal government has long seen the advantage of funding transportation research through universities due to the opportunities this presents for students to participate meaningfully in such research. Universities are the pipelines for future transportation engineers, planners and managers. Each year, NCTR has approximately 25 students assist in the various ongoing research projects, providing them with "real world" research experience as they take their classes and earn their degrees. There could be no more important time to be preparing new transportation professionals as the Baby Boomer generation starts retiring in large numbers. Workforce development is one of the critical roles University Transportation Centers play in the development and maintenance of our transportation system. In addition, NCTR faculty members serve as student mentors not just through research projects, but through assisting them with their theses and dissertations, and by teaching courses focused on public transportation. Students who have worked with NCTR faculty have become general managers of public transit systems, program directors at the Federal Transit Administration and Florida DOT, significant staff members at the USDOT's Research and Innovative Technology Administration and the National Center for Senior Transportation, and key contributors to many transportation consulting firms throughout the nation.

As the United States deals with the realities of its deficit and the likely need to reduce spending, the value of UTCs becomes more evident. The work done at UTCs focuses on making the most out of our transportation investments. This covers a broad range of issues such as the strength of our bridges, the durability of our various pavements, the safety and security of our airports and seaports,

the economic impact of new highways or transit improvements, freight logistics, traffic engineering with intelligent transportation system technologies, transporting hazardous materials, and so many more issues. Transportation accounts for over 13 percent of the national economy and is absolutely essential to our nation's international competitiveness. The portion of the USDOT's budget dedicated to UTC research represents only two-tenths of one percent of the entire agency budget. In return, the nation benefits from research that makes our transportation system safer, more efficient, and longer lasting, while also preparing that next generation of transportation professionals who must be ready to manage this massive public investment.

The United States will add approximately 100 million people to its population by the year 2050. It will be a major challenge to provide a transportation system that is safe and efficient when population the equivalent of California, Texas, New York, and Florida are added in the next 40 years. This growth will almost certainly occur in major metropolitan areas that are already dealing with high levels of congestion, pollution, and time wasted on the highways. We need all the creative thinking, skill, and talent that can be applied to this challenge. The federal University Transportation Center program is the very best, most essential, and most efficient investment the country can make to help our nation meet its transportation challenges.

Thank you for reaching out to the public to receive input on the priorities for transportation funding as you prepare the reauthorizing legislation for surface transportation, and for this opportunity to provide testimony. We invite any committee members to visit our UTC at the University of South Florida, or any of the other UTCs across the country. It is a great honor and privilege to support our country's transportation system development.

Sincerely,

Joel Volinski, Director  
National Center for Transit Research  
University of South Florida



**U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**

***Improving and Reforming Our Nation's Surface Transportation Programs:  
Orlando, Florida - Field Hearing***

**Testimony of Wes Watson  
Executive Director  
Florida Public Transportation Association**

**Monday, March 14, 2011  
9:30am  
Maitland Civic Center – Maitland, Florida**

**Specific Topic:**

**The Importance of Public Transportation to Floridians**

Good morning Chairman Mica, Ranking Member Rahall, and Members of the Committee. I am Wes Watson, representing the Florida Public Transportation Association (FloridaTransit.org).

The Florida Public Transportation Association is a nonprofit association whose members include every major public transit agency in Florida, as well as interested citizens and businesses. The FPTA acts as a collective voice in promoting the recognition, use, expansion and enhancement of public transportation in the state of Florida. Our members employ more than 20,000 Floridians, transport about 262 million riders a year, and create billions of dollars per year in annual economic activity.

We want to pass along two very important messages today:

- 1. Stories of Floridians and Businesses Who Rely Upon Public Transportation:** Floridians are taking about a million trips on transit today. Here are some of their stories.
- 2. Energy Prices Make Public Transportation Infrastructure More Important to the Economy Than Road Building:** Florida transit agencies are experiencing record riderships, and as gas prices rise, the economy will rely even more upon public transportation to get people to work.

## Florida's Transit Riders Tell You Their Stories

*(more stories available at [FloridaTransit.org](http://FloridaTransit.org))*



Deanna Droira-Garcia is an outside sales person for Radio Disney. When she was diagnosed with epilepsy and became unable to drive, she did NOT become unable to work thanks to public transportation. She used her determination and Miami-Dade Transit, Broward County Transit, PalmTran and Tri-Rail to continue to make outside sales calls throughout south Florida. She has each system set to speed dial as she switches from fighting traffic to being productive while on transit. The result: she broke a monthly sales record using transit to make sales calls.

Charles Jacks served his country working as a contractor at a variety of military bases overseas. He and his wife are able to save \$9000 a year and get by with one car because Charles takes transit to work. As an added perk, he holds down a second job DURING his commute. While riding to/from work for three hours each day on transit, Mr. Jacks writes software programs as a part time job for the University of Florida.



Robert Collins is working his way through law school at the University of Miami. He does not have a car, and gets to school and to an internship at the State Attorney's office by using MetroRail services provided by Miami-Dade County Transit. Robert says, "The money I save using public transportation has helped me to stay afloat while I navigate the tough financial stresses of going to law school."

Dr. Michael Wesolowski does not have a choice, without public transit, he feels that he could not continue to hold down his job and be a productive member of society. He works for the Agency for People with Disabilities. Here is his story: "I never thought much about using buses. In March 2006, I had a spinal cord injury. The injury produced weakness in my hands that precluded driving. I was alone, severely disabled, and without a way to get to work. Thank God for public transportation."



### **Gas Prices, Transit, & America's Energy Independence**

We learned in 2008 that \$4.00 per gallon gasoline represents the tipping point where greater numbers of citizens start to rely upon public transportation to get to work. With savings eroded by the recession, this time we are seeing transit ridership increase even more quickly than they did in 2008. Many major transit agencies in Florida are already seeing all time records with double digit ridership increases from last year. HART, serving Hillsborough County, has already seen a 19% increase February 2010 to February 2011 as Floridians find ways to get to work affordably using public transit.

Now, with experts like Shell's former CEO predicting \$5.00 per gallon by 2012, the Florida transit industry is bracing for increasing numbers of Floridians whose only viable commute alternative is via public transportation.

To give you a picture of how much gasoline can be saved, last year, American public transportation riders SAVED the country TWENTY TIMES the amount of oil spilled in the US Gulf last year by BP. Public transportation contributes significantly to America's energy independence.

The money that transit riders save at the pump is money NOT sent to OPEC. Paying too much at the pump means that consumers are not spending money on local restaurants, with small business, or on Florida vacations. The American Public Transportation Association (APTA) reported in December that riding public transportation saves individuals an average of \$9,581 annually. This saving stimulates the economy much more than sending this money overseas for imported cars or imported oil.

Public transportation is such a logical alternative to expensive driving that even the American Automobile Association has now placed links to public transportation on their homepage.

The Florida Public Transportation Association urges your committee to increase emphasis on public transportation.

Sincerely,

Wes Watson  
Executive Director  
Florida Public Transportation Association